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January 5, 2015

TO: Karen Kimsey, MSW

Deputy Director for Complex Care

Department of Medical Assistance Services (DMAS)

FROM: Heidi L. Lawyer

RE: Comment on Virginia's Section 1115 Waiver Application

I am writing on behalf of the Virginia Board for People with Disabilities (the Board) to comment on the Medicaid Managed Long-Term Services and Supports (MLTSS) and Delivery System Reform Incentive Payment (DSRIP) portions of Virginia's Section 1115 Waiver Application. The Board previously commented on MLTSS expansion on September 21, 2015, and on the proposed DSRIP waiver while in its concept phase on October 16, 2015. The Board refers DMAS to these documents and offers the following additional comments about the proposed changes to Virginia's system of Long Term Services and Supports (LTSS). The Board appreciates the opportunity to provide continued feedback on these important matters and would like to continue to be involved in the planning and implementation phases through participation in any related workgroups, stakeholder groups, or other planning bodies.

The Board understands that transitioning all populations and all services into some form of managed care is a legislative directive. The Board also recognizes that DMAS will undertake a thoughtful, comprehensive process for achieving the MLTSS goals. However, while both MLTSS and DSRIP promise to transform the way in which Medicaid services are delivered in the Commonwealth, neither appears to be supported by evidence of proven successes that warrant such a massive transformation of Virginia's Medicaid system on such a short time-table. *In its September 21, 2015 comment on MLTSS expansion, the Board recommended critical analysis*

of realized managed care outcomes for people with disabilities in the Commonwealth prior to *MLTSS expansion*. We stand strongly by this earlier recommendation.

The Board believes that the aim of Long Term Services and Supports (LTSS) should be to empower people with disabilities to live independent, integrated and productive lives in communities of their choosing. Such an empowerment model of disability service delivery puts people with disabilities in the driver's seat, maximizes individual choice, and empowers them to participate in decisions about the frequency, duration, and type of services that they receive. The Board is concerned that some of the proposed changes to Virginia's Medicaid system contained in the Section 1115 Waiver proposal could adversely affect this broad objective and return Virginia to a medical model of LTSS.

Maintenance of substantial personal choice for people with disabilities and their families is critical; it is unclear as to how this will be achieved. Other concerns include possible service interruptions, loss of access to preferred providers, and the creation of additional barriers to accessing quality services and supports. Mandatory transition to MLTSS for people with disabilities should occur only after significant evidence is available that these and other negative consequences will not occur and that the anticipated benefits of this transition will be realized.

There is a similar lack of evidentiary support for the proposed DSRIP plan. The envisioned Virginia Integration Partners (VIPs) are the lynchpin of the DSRIP plan. VIPs are closely related to Accountable Care Organizations (ACOs), and perhaps even more so to the Accountable Care Communities (ACCs) envisioned in the Affordable Care Act (ACA). ACCs are relatively new concepts that have only recently been piloted. There is as yet insufficient data available to assess the effectiveness of these entities in improving patient care, and the expertise and information necessary to effectively replicate these entities and ensure model fidelity and best practices does not yet exist. ACOs, though slightly more matured concepts, are still relatively new as well, and the available data on their effectiveness is mixed. In light of the limited availability of data to support the adoption of these or similar models, the Board recommends a cautious approach to experimentation in this area, especially given the highly vulnerable nature of the individuals who will be affected by the proposed changes.

The Board is also concerned that the VIPs proposed in the DSRIP plan will likely be hospital-centric entities. Large hospitals with significant expertise in managing complex medical problems, but little to no expertise in the provision or organization of community supports and social services, will likely dominate these collaborative entities. Coupled with the increased role that large insurance companies will play in decisions that affect access to care for people with disabilities, MLTSS and DSRIP may combine to make hospitals and insurance companies the hub of the disability services system. The Board fears that moving towards a hospital and insurance company-centered system risks the re-medicalization of disability services and, in light of this threat, we urge caution and careful analysis before mandatory transition to MLTSS and wholesale endorsement of the VIP concept.

The Board recognizes that the current trajectory of LTSS in Virginia is moving in the direction of managed care, and we appreciate DMAS's continued efforts to make this transition as successful and beneficial for people with disabilities as possible. However we remain apprehensive about the effects that these changes may have on the lives of people with disabilities and their families. The Board urges DMAS to ensure that decisions about the future of disability services in Virginia are evidence-based, that major transformations to Virginia's Medicaid system are gradual and carefully monitored, and that the Commonwealth proceeds with an eye towards the ultimate goal of advancing the independence, autonomy, and inclusion of people with disabilities in Virginia.

Thank you again for the opportunity to comment. Please feel free to contact me at Heidi.Lawyer@vbpd.virginia.gov or 804-786-0016.