

BHD Conflict-free Case Management Model

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Background on the transition to Conflict-Free Case Management

As required in the Senate Enrolled Act 82, 2013, the Behavioral Health Division (Division) must transition the current case management system to a conflict-free case management system. In evaluating all of the options for making this change and with stakeholder involvement, **the Division has decided to keep case management in the waiver but move to conflict of interest free requirements starting July 1, 2014 and reaching full implementation by June 30, 2015.**

The Division will amend the Supports and Comprehensive Waivers to change the case management service to a conflict-free model during year two of the new waivers. The Division will allow participants, guardians and case managers to make decisions or adjustments, as necessary, during a one-year transition period. The waiver will identify the new provider qualifications for a provider agency to become certified to offer the case management service. The Division will also change current regulations to prohibit any conflicts of interest and ensure choice of case manager and provider by participants.

Timeline: The Division plans a start date of July 1, 2014 to allow participants to choose case managers from the conflict-free list of case managers available in their area. Transitions will be completed by June 30, 2015. For any gaps in case management services that a participant may experience due to a case manager or provider going out of business or giving termination notice, the Division will work with case managers to find solutions for participants using certified case managers if possible. If a person or area of the state cannot find a case manager available, the state will implement a backup plan to provide case management services until a case management agency is chosen.

July 1, 2014	July 2014 - June 2015	June 30, 2015
Case managers begin addressing conflicts of interest on caseload	Participants transition to new case manager, if necessary, so there is not more conflict of interest	All case managers must operate as an agency with at least two (2) case managers employed; or if a sole proprietor working as a CM, one additional CM must be employed
Make plans to either form an agency or change current business to have back up case management on staff	Case managers can be dually employed with NPI number during the transition period for up to three (3) months	All participants who were affected must have completed transitions

CASE MANAGEMENT AGENCY QUALIFICATIONS

Services. An agency may provide:

- ✓ Case management services, including Family Care Coordination, for any of the home and community based waivers for which they are certified.
- ✓ Independent Support Brokerage services on the DD waivers or ABI waiver, as long as the services are not provided to a participant who receives case management at the same agency.

Qualifications. An agency which wants to be certified to provide case management services is required to:

- ✓ Submit a Division application to become certified. If a provider is already certified as a case management agency, they would still need to complete a form to comply with the new requirements and continue as a certified agency
- ✓ Be enrolled as active Medicaid provider

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- ✓ Employ at least two (2) qualified case managers as employees if the agency qualifies as an entity in Title 17 of the Wyoming Statutes
- ✓ Employ at least one (1) other qualified case manager if a person acting as a sole proprietor becomes a qualified case manager himself/herself. *(No sub-contracting for case management will be allowed.)*
- ✓ Have policies and procedures for backup case management for each person's caseload. If no one in the agency is available for backup due to a case manager leaving employment, then the agency must actively recruit for the position within ninety (90) days and work with the Division on its action plan to meet all of the participants' needs in the interim. The Division may intervene if there are concerns with filling the position within the timeframe.
- ✓ Have each case manager obtain proof of competency demonstrated through successful completion of the Division-approved case management training curriculum initially and annually.
- ✓ Ensure that criminal background checks are conducted for every person hired or associated with the certified case management agency, including monthly checks of each employee on the Office of Inspector General website. *Background checks may be transferred to the new agency if written and notarized permission is given by the person – pending final decision.*
- ✓ Meet education, experience, and training qualifications and exclusions as specified by the Division.
- ✓ Ensure ongoing compliance with applicable Medicaid Rules, Waiver Provider Manual, Division policies, bulletins and/or guidance.

RATE, UNITS AND BILLING REQUIREMENTS

New Rate *(updated November 4, 2013)*

- ✓ The proposed rate is \$10.90 per 15-minute unit which equates to \$43.60 per hour of billable time. *(see section on page 5 regarding the rate methodology)*
- ✓ The number of units on a plan may not exceed 296 units.
 - In cases of extraordinary need for case management, the Extraordinary Care Committee (ECC) may authorize a temporary increase above 296 units.
- ✓ Case managers may use units based on the need of the participant or guardian up to the approved amount.
- ✓ At least one (1) 15-minute unit per month will be required for all participants, so the case manager can keep in contact with the participant through a call or a personal visit to ensure the participant is satisfied with services and has no unmet needs or concerns.

Home Visit Requirements

- ✓ Monthly home visits are only required for a participant who receives any type of residential services, including residential habilitation, special family habilitation home, and supported living. The visit must be done in the home with the participant present.
- ✓ Quarterly home visits are required to non-residential participants and must be done in the home with the participant present. (Monthly home visits may still be completed).
- ✓ The case manager may complete additional home visits for times of crisis or other times when a participant might request or need more frequent home visits.

Billable Time

- A billable unit of case management is any task or function defined by the Behavioral Health Division as a case management activity that only the case manager or case management agency can provide to or on behalf of the participant and guardian.
- Ancillary activities, such as clerical tasks like mailing, copying, filing, faxing, drive time or supervisory/administrative activities are not billable case management activities, although the administrative cost of these activities and other normal and customary business overhead costs have been included in the reimbursement rate for billable activities.
- Billable time may be cumulative during the span in which a provider bills. For example, if a CM agency bills on a weekly basis, all billable time documented each day may be counted towards the units claimed for the week. So 6 minutes of billable time Monday through Friday would equal 2 units for the week.

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- **Billable case management services include:**

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| ✓ Plan Development | ✓ Necessary face-to-face meetings with Participants, Guardians, & Family | ✓ Completing monthly reporting responsibilities |
| ✓ Plan Monitoring & Follow-up | ✓ Advocacy and Referral | ✓ Quarterly reporting responsibilities and interviews, and |
| ✓ Provider Documentation review | ✓ Crisis Intervention | ✓ Other reports as required by the Division within a specified timeframe |
| ✓ Quarterly Service Observation | ✓ Coordination of Natural Supports | |
| ✓ Monthly objective progress | ✓ Providing and Discussing Choice | |
| ✓ Home Visit | | |
| ✓ Team Meetings | | |
| ✓ Participant Specific Training | | |

NOTES ON BILLABLE TIME:

- **Social visits.** Time spent with the Participant or guardian for social reasons are not considered billable time unless billable case management time is also occurring. Incidental contact and social exchanges are part of conducting and building a business and offering customer service, and are not considered a case management service by the Centers for Medicaid and Medicare Services (CMS).
- **Travel costs** are figured into the rate for the service but the time spent traveling is not a billable service.
- **More than 2 hours of work expected.** Although many case managers often provide more than two (2) hours of case management services per month, the monthly minimum has inadvertently led to many case manager routinely documenting only two (2) hours of the service provided during the month, instead of documenting all billable services. Documenting for phone calls, plan development, team meetings, and documentation review is part of case management responsibilities and will often require more than 2 hours a month on top of service observations, home visits, and plan monitoring duties.

CASE MANAGER QUALIFICATIONS

A case manager must:

- Be an individual (not an agency)
- Obtain an NPI number in their name and submit a Medicaid enrollment application to the BHD.
- Keep current CPR and First Aid Certification
- Have a clean background check on file with his/her agency
- Meet educational and work experience requirements as specified by the Division
- Complete training requirements as specified by the Division:
 - Within one month of working as a case manager for the agency, the case manager must complete all Division training modules and receive a passing grade of 85% or higher. Individuals may re-take modules until a passing grade is achieved, then a certificate of completion will be provided. The agency will keep copies of certificates in personnel files.
 - Eight (8) hours of annual training in areas specified by the Division will be required each year to re-certify. Individuals must keep certificates or confirmation of attendance and provide a copy for the agency personnel files.

Items not required:

- Case management agencies will not need to be CARF accredited.
- Liability insurance or other organizational insurance needs will not be required by the Division. Each organization is encouraged to seek legal advice on any insurance decisions.

Dual Employment

- During the transition period of employment with a new case management agency, case managers may have their National Provider Identifier (NPI) number linked to both the new agency and the old employer in order to transition participants onto his/her caseload. This transition period shall be no longer than three (3) months.
- A case manager may be linked to two (2) conflict-free case management agencies in different counties as long as their employment does not cause a conflict with participants served in either agency.

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Education and Experience requirements

Current case managers

Prior to July 1, 2015, current certified waiver case managers may be employed by a case management agency as long as the following minimum qualifications/criteria are met.

The case manager must have a:

- Associate's degree from an accredited college and four (4) years of work experience in a human services field;
or
- Minimum of 60 credit hours from an accredited college or university with a minimum of completed coursework of 24 semester hours or 36 quarter hours in one or a combination of human service field specialties as identified below in the next section, plus four (4) years of work experience in a human services field.

Verification. The case manager must submit official college transcripts and include a professional contact who can confirm work experience.

If standards are not met. If a case manager cannot meet the minimum qualifications, the case manager must:

- Submit to the Division his/her official college transcripts;
- A letter describing years of full time experience;
- The name of a professional contact who can confirm work experience.
- The case manager must show proof of enrollment in college coursework to fulfill the requirements within two (2) years of hire. All educational requirements shall be fulfilled within 24 months of hire.
- The Division will make final approval decisions from the information provided on an individual basis.

Future case managers (not currently certified)

As of July 1, 2014, individuals must meet the following qualifications by having a:

- Bachelor's degree in one (1) of the following related fields from an accredited college or university and one (1) year work experience in one (1) of the following human services fields:
 - a) Counseling
 - b) Education (*will allow a school year instead of calendar year*)
 - c) Gerontology
 - d) Human Services
 - e) Nursing
 - f) Psychology
 - g) Rehabilitation
 - h) Social Work
 - i) Sociology, or
 - j) A related degree, as approved by the Division
- or*
- Master's degree from an accredited college or university in one of the related fields listed above,
- or*
- Associate's degree in a related field and four (4) years of work experience in a human services field.

Verification. Along with a case manager application, the individual must submit official college transcripts and include a professional contact who can confirm work experience.

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Definitions for the Purposes of Conflict-Free Case Management policy:

- **Conflict of interest** includes a situation in which a person has a duty to more than one person or organization, but cannot do justice to the actual or potentially adverse interests of both parties. *Retrieved from <http://dictionary.law.com/Default.aspx?selected=292>*
- **Case Management Agency** means a business entity defined in Title 17 of Wyoming Statutes or a person operating as a sole proprietor, intending to or established to provide an activity that assists individuals to gain access to needed care and services appropriate to the needs of an individual.
- **Case Management** means (1) providing an interface or connection between individuals with disabilities and the system of publicly-funded and generic services and supports, and (2) assuring that these services meet reasonable standards of quality and lead to important outcomes for individuals.
- **Employ or employment** means that definition in the fair labor standards act resulting in an employer and employee relationship and does not include independent contractors or subcontracting relationships.
- **Managing employee** includes any administrative manager or a supervisor at an agency.
- **Relative** includes any biological or adoptive parent, stepparent, son, daughter, sibling, aunt, uncle, niece, nephew, grandparent, grandchild, first cousin, in-law, or step-family member.
- **Person**, for purposes of conflict of interest means a sole proprietor and also includes but not limited to partners, managing employees, relatives, CEOs, entities as defined in Title 17 of Wyoming statutes, or anyone having voting and ownership shares in corporations or other Title 17 entities.

How do you know if there is a conflict of interest?

Situations include, but are not limited to, the following:

- ✓ If I or my family can financially benefit from other services the participant receives
- ✓ If my agency can financially benefit from other services the participant receives
- ✓ If a participant's chosen provider may influence my ability to advocate or intervene in my role as a case manager because I am related to or employed by them
- ✓ If the participant and his/her family may influence my ability to advocate or intervene in my role as a case manager because I am related to or employed by them

If any of the above applies to a participant on your caseload, then you have a conflict of interest in providing case management to that participant.

Formal Exclusions

In order for a case manager to have the authority to develop, implement, and monitor plans of care in the best interests of the participant, the case manager must not have a conflict of interest. To address conflicts of interest, the Division is implementing the following exclusions for the case management agencies starting July 1, 2014.

1. The case management agency and any managing employee may not own, operate, be employed by, or have a financial interest or financial relationship in any entity listed in Title 17 of Wyoming Statutes, if the interest would meet the definition of conflict of interest. If the case management agency is a sole proprietorship, then that qualified case manager shall not have a financial interest or financial relationship in another sole proprietorship case management agency.
2. The case management agency and any managing employee may not be a certified provider of any other waiver service beyond case management, family care coordination, independent support brokerage, or other waiver case management service.
3. The case management agency may not serve any participant that receives waiver services from a waiver provider if any of the provider's owners, officers, or managing employees are related by blood or marriage to the case management agency and any managing employee of the case management agency.

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4. Any employee of a guardianship agency may not provide case management to any participant who is receiving any services from the guardianship agency.
5. Also, a case management agency may not:
 - a) Employ case managers that are related to the participant, the participant’s guardian, and/or a legal representative served by the agency; or if a sole proprietor, the person may not be related to the participant, the participant’s guardian, and/or a legal representative served by the agency.
 - b) Be authorized to make financial or health-related decisions on behalf of the participant receiving services from that agency, including but not limited to a guardian, representative payee, power of attorney, conservator or other position as defined by the Division;
 - c) Have an office in a provider organization where participants are shared between both the case management agency and the provider agency.
 - d) Employ case managers, or if a sole proprietor, live in the same residence as the participant in which they provide case management services, nor live in the same residence of any provider on a participant’s plan in which they provide case management service;
 - e) Be an approved provider or employee hired through self-directed services.

RATE METHODOLOGY

New Rate as of November 4, 2013 with methodology

\$16.61	= Direct Care Hourly Wage Rate (2007 cost survey)
6	X Expected hours per case per month (reduced due to input received)
1.15	X FTE (Includes 40 days for vacation, sick, holiday, and annual training)
1.2849	X Benefits factor (Insurance, retirement plans)
1.2	X Travel Time factor (increased travel 20% due to office location and duty changes)
\$176.71	= Direct Care cost per unit per month
\$52.30	+ Administrative Costs (based on 2007 study +30% increase for additional training costs)
\$42.59	+ Program Support (based on 2007 study)
\$3.73	+ Non-Program Contracted Services (based on 2007 study)
\$275.33	= Estimated Service Cost per unit per month (based on 2007 rate methodology)
\$261.68	= total with both 4% and 1% legislative reductions applied to all service rates
\$43.60	= Hourly (rounded based on about 6 hours of service provided monthly)
\$10.90	= 15 minute unit
\$3,226.40	= annual limit per participant (based on a limit of 296 units annually) (296*\$10.90)

More information on rate methodology. The Division used the 2007 Provider cost study conducted by Navigant Consulting (published in 2008) that had information available on case management costs based on 57 respondents. Advice received in the past year during the redesign from national consultants led BHD to re-evaluate our payment for case management services. The current model allows some participants to receive more case management services as needed and other to receive less -- depending on the stability of services, living situation, progress on goals, etc.

The 15 minute rate is structured to pay case managers based upon a fluctuating need by participants and to have adequate documentation for all of the a case management services provided in a month, not just two hour’s worth. The former proposed rate for a 15 minute unit was determined using the information and methodology developed by Navigant Consulting in 2007. All current rates are figured based on this study and reduced as mandated by the legislature, 4% in FY11 and 1% in FY14.

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This rate reflects the same cost study used for other waiver service rates. A new cost study was conducted in 2010 but the legislature did not support implementing the rebased rates from that study. The new \$10.90/15 minute unit rate figures 6 hours of work on average per participant a month, increases travel time factor by 20%, increases administrative costs by 30% for increased certification and training requirements.

The newly proposed rate offers approximately the same reimbursement as the current rate, if the full hours of service are delivered. The efficiency and accountability gained is that the state is only paying for services provided and case managers must document all of the duties performed on behalf of a participant, including items often overlooked in case management notes, such as provider documentation review, complaint follow up, and reviewing objective progress.

In the new 15 minute system, if a case manager provides approximately 6 hours of service a month over the year, the wages per client would be approximately the same as they are today. All participants will have available the same amount of funding for case management that they do now. This funding amount can only be used for case management services and cannot be used to increase units to any other services on a participant's plan.

How was the current monthly rate of \$268.86 for case management figured?

In 2008, the Navigant cost study survey for case management showed 8.7 to 10.5 hours a month were spent on average to provide services to each participant, with some months requiring more hours than others. The monthly rate was built to cover all of the fluctuating time, with a minimum amount required in order to bill. Therefore, the monthly rate was not based on two (2) hours of service a month alone, which would figure over \$134 an hour. Instead, the rate assumed around eight hours on average. The minimum of 2 hours was established from a previous stakeholder work group. The consultants also compared wages paid to case managers and wages for similar positions within Department of Labor information available. The wages for 8 hours of work at the monthly unit was comparable for a position that was unlicensed and did not require a Bachelor's.

Illustration of the current monthly rate if case management only intended to cover two (2) hours of work per participant a month (which has been mentioned by several case managers):

If the payment of \$268.86 a month was only meant for two hours of case management, then the state is paying \$134.43/hour for case management. If the state only expected two hours of billable services to be provided during a month per client, then a case manager with 20 people on their caseload is getting paid \$5377.20/month for 40 hours of work in one month (not a week). Over one (1) year, the state would be paying \$64,526.40/year for 12 weeks of full-time work over one year. If a case manager is just working part-time with 10 cases, they would make \$32,263.20 a year for 6 weeks of full-time work over one year. \$32,000 is a high paying part-time job, but not realistic for 6 weeks of documented work. This scenario shows that only 2 hours of work expected is not the intention of the monthly rate.

Why isn't the rate similar to support brokerage, therapists, or other services?

For services that are very limited with intensive training requirements, the rate is commensurate with the service provided, such as individual habilitation training and support brokerage. Support brokerage is a limited service with more 1:1 training with participants and families required and the service usually faded out over time. Case management is a steady service that is not phased out and does not require as much of the 1:1 training and hands on work that the other services provide. Much of the case management work is conducted in an office, by phone and computer.

Other waivers in Wyoming pay less for case management and require licensed personnel, with the exception of Family Care Coordination (FCC). Family Care Coordination is a short term service and a short term waiver for participants and the FCC role requires more training, certification, and crisis management, which contribute to the higher rate.

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Many people commented that case management rates should equal those of therapists. Rates for therapists are based on their educational and licensure requirements. They also have many expenses for therapeutic equipment that are not shared by case managers. Case managers are not required to have a Master's and a current license. The requirements for case managers in the new conflict free model do not even require a Bachelor's for current case managers. Using the rate for therapists to base a rate for case management does not work. Many case managers in other states are required to be a licensed social worker or registered nurse to provide the service. When we have tried to raise the education standard to a Bachelor's in Wyoming, the resistance was large enough for us to consider Associate's degrees in order to retain our current workforce as much as possible.

What are the concerns with the current (conflicted) case management system?

The current case management system has shown to not advocate as strongly as desired for participants' rights, largely due to conflict of interest situations.

One form of this has been noted in some case managers having to negatively assess the performance of their co-workers, supervisors and leadership, even though, in the current system, case managers do not have the position or degree of authority within the organization to require changes of other staff. Due to this, on a personal level, case managers may find themselves reluctant to criticize co-workers. It is understandable that self-policing puts case managers in a very difficult position.

Further, it has been found that on occasion, in conflicted situations, conscious or unconscious service "steering" of a participant has taken place. This diminishes the ability to trust that participants are receiving the types of services and supports they personally want and need.

There is also a potential for conflict of interest from the fiduciary aspect through the:

- Incentives for either over- or under-utilization of services;
- Participant either "costing too much" or provider "not being paid enough";
- Potential of pressure or interest in "steering" the individual to their own organization; and
- Potential pressure for retaining the individual as a client rather than promoting choice, independence and requested or needed service changes.

What are the benefits of changing the system to conflict-free?

By moving to the conflict-free case management system, a case manager's core responsibility becomes assuring that what is *important to and for* a participant is addressed based on the individual's preferences, and desired outcomes. Case managers will have more authority to truly advocate for participants and participants will be given true choice in services and providers.

Participants are not meant to fit into a system, rather case managers shall find a fit between individual participant's needs and preferences and support and service responses. This in turn will allow for a source of knowledgeable and thoughtful strategies to help participants.

Additionally, the Division will be able to monitor service quality, progress, and participant satisfaction alongside case managers. All parties will see caseload sizes and reimbursement rates that match the scope of responsibility and take into account the varying amount of support individuals need. Documentation of all services provided, billed, and expected will lead to better follow through and verification that the role of the case manager has been achieved for the person served.