

The Numbers

Money Follows the Person (MFP) is the largest Medicaid demonstration in history, funded by \$1.75 billion. The MFP program provides support to States to shift their Medicaid long term care (LTC) spending away from a facility based system and to a more community based orientation. This offers Medicaid recipients the option of receiving care in the community rather than in an institutional setting. Currently, nearly 63% of Medicaid's LTC budget is spent on institutional care, leaving a little over 32% to cover ALL community based services. While Home & Community Based Services (HCBS) are generally less expensive than institutional services, this funding bias results in a shortage of services and often long waiting lists due to unmet needs.



MFP has awarded grants to 29 States and the District of Columbia, with nearly \$1.5 billion in total funding. There are approximately 35,000 individuals targeted for deinstitutionalization who represent a cross section of Medicaid LTC populations including the elderly, individuals with developmental and physical disabilities, and individuals with traumatic brain injury and mental illness

How It Works

Each State develops an Operational Protocol (OP) (how-to instructions for its rebalancing plans) that must be approved by CMS. Once approved, the State grantee receives a higher Medicaid match, (additional funding) for some services provided to MFP participants. A States' OP must address issues such as:

- ▶ How quality of service and quality of life will be assured,
- ▶ How services will continue after the deinstitutionalized individual's participation in the demonstration ends, and
- ▶ How the State will use institutional cost savings to rebalance its LTC spending.

After an individual's participation in the demonstration has ended, the State is expected to maintain any service required to support community placement such as personal care, housing, support services, etc. Services and supports usually covered by



Medicaid will continue at the standard Medicaid reimbursement rate. After an individual is transitioned to the community, it is expected that the State will begin to see overall savings for an individual's care compared to the expense of institutional services. This savings is reinvested to rebalance the State LTC spending, i.e. used to fund personal care services, respite care, day programs, mental health services, etc.



MFP Is Different

Money Follows the Person is unique when compared to other Medicaid grant programs in two very important ways:

Enhanced FMAP (Enhanced Medicaid matching money)—To help offset a States' expenses related to deinstitutionalization such as household set-up costs or other transitional expenses

Supplemental Services—One time services not typically covered by Medicaid that can be incorporated into a State's MFP grant. Some examples of Supplemental Services are:

1. **Housing coordination**—Helps to locate affordable and accessible housing where people want to live. The goal is to foster relationships with town officials, housing providers and landlords; coordinate rental assistance and accessibility modification application processes; and locate/coordinate other types of housing assistance. This is based on an individual's circumstances, as required, such as fuel assistance, financial counseling, security deposits, understanding legal rights and responsibilities as a tenant, fair housing, etc.
2. **Community Integration Support**—Assists individuals and paid staff by purchasing community memberships (e.g. fitness memberships, arts or community theater classes, etc.) consistent with the person's individual plan to better assimilate with their community.

