

Extend the Money Follows the Person Demonstration

The Money Follows the Person (MFP) Demonstration – first authorized in the Deficit Reduction Act of 2005 with strong bipartisan support and signed into law by President Bush – was designed to assist states with: (1) supporting Medicaid enrollees who want to transition from nursing facilities back to community-based settings; and (2) developing infrastructure to promote and enhance access to HCBS.

Impact of Money Follows the Person

- Since its inception, 47 states have participated and over 75,000 individuals have been transitioned back to the community.
- According to independent evaluations by Mathematica:
 - Participants report significant and lasting improvements in quality of life and community integration after returning to the community.
 - Findings suggest that after individuals return to the community, their overall Medicare and Medicaid expenditures decrease by roughly 20%.
- States have made significant progress on “balancing” their long-term services and supports system to enhance access for HCBS, due in part to MFP. In FY05, states only spent approximately 37% of their LTSS expenditures on HCBS. According to the most recent data, states now spend over 53% on HCBS.

Need to Continue

- While states have made progress, more work is needed. Significant variations remain across states and different populations who need HCBS. For example, HCBS accounted for 75% of spending in programs targeting people with developmental disabilities, compared to only 41% of expenditures for programs targeting older people, people with physical disabilities, and people with serious mental illness.
- Over 50,000 nursing home residents said they wanted to talk with someone about leaving their facility, but never received a referral to a local agency that could help them, according to recent analyses of Nursing Home Minimum Data Set reporting.
- States have learned lessons and can share promising practices with other states.

Expiration

- The program expired on September 30, 2016.
- States can continue to use remaining grant funding through 2020. However, there is not enough funding to sustain the program at current levels. Overall, states had to cut back approximately 40% on their plans submitted to CMS. This means that states will start transitioning fewer individuals and we are at risk of losing progress on balancing.
- Senators Portman (R-OH) and Cantwell (D-WA) have developed bipartisan legislation that would make minor improvements and continue the program.
- WE URGE YOU TO SUPPORT THEIR EFFORTS TO EXTEND THE PROGRAM

Additional Resources

National Health Policy Forum (2013). Money Follows the Person (MFP) Rebalancing Demonstration: A Work in Progress

https://www.nhpf.org/uploads/announcements/BP85_MFP_05-10-13.pdf

Mathematica (2017). Money Follows the Person 2015 Annual Evaluation Report: Executive Summary.

<https://www.mathematica-mpr.com/our-publications-and-findings/publications/money-follows-the-person-2015-annual-evaluation-report>

Mathematica (2016). Money Follows the Person Demonstration: Overview of State Grantee Progress, January to December 2015.

<https://www.mathematica-mpr.com/our-publications-and-findings/publications/money-follows-the-person-demonstration-overview-of-state-grantee-progress-january-to-december-2015>

Kaiser Family Foundation (2014). Money Follows the Person Demonstration Program: Helping Medicaid Beneficiaries Move Back Home

https://kaiserfamilyfoundation.files.wordpress.com/2014/04/8581-b-money-follows-the-person-demonstration-program_helping-medicaid-beneficiaries-move-back-home.pdf