

## **REQUEST FOR BOARD ACTION**

### **HENDERSON COUNTY BOARD OF COMMISSIONERS**

**MEETING DATE:** June 1, 2009

**SUBJECT:** Recommendation for Commission Appointment of CAP-DA Lead Agency in Henderson County

**ATTACHMENTS:**

1. Memorandum to County Manager – Recommended Appointment of CAP-DA Lead Agency in Henderson County
2. Pardee Hospital – Notice to Terminate Contractual Responsibilities
3. Park Ridge Hospital – Statement of Interest

#### **SUMMARY OF REQUEST:**

The Board of Commission appoints: (a) a lead agency to administer the Community Alternatives Program for Disabled Adults (CAP-DA); and, (b) provides the NC Division of Medical Assistance (DMA) a letter of designation with effective date.

Weighing the following strengths, Park Ridge Hospital is recommended for appointment as Henderson County's CAP-DA lead agency:

- Mission includes community service development and outreach services
- Large, stable hospital with extensive medical resources and service depth
- Active participation and leadership in community-based services to elderly and disabled, including Partnership for Independent Living, Health Aging Coalition, and Home and Community Care Block Grant Committee
- Medicaid procedure and billing expertise and established working relationship(s) with state and county Medicaid office(s)
- Home health provider
- Capacity to directly contract with NC DMA and handle all transitional arrangements and requirements with Pardee and NC DMA

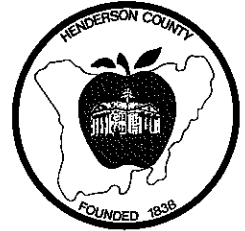
#### **BOARD ACTION REQUESTED:**

Appointment of Park Ridge Hospital as lead agency to administer Henderson County's CAP-DA Program.

#### **Suggested Motion:**

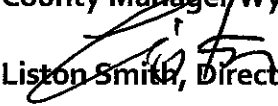
*I move Park Ridge Hospital be appointed as CAP-DA lead agency for Henderson County and a letter of designation be sent to the NC Division of Medical Assistance with the effective date of July 1, 2009.*

*Henderson County  
Department of Social Services*



## MEMORANDUM

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**To:** County Manager Wyatt  
**From:**  Liston Smith, Director  
**Date:** May 26, 2009  
**RE:** Recommended Appointment of CAP-DA Lead Agency in Henderson County

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On April 23, 2009, Pardee Hospital gave NC DHHS a 30-day notification of intent to terminate contractual responsibilities as the lead agency for the Community Alternatives Program for Disabled Adults (CAP-DA) services in Henderson County (Attachment I). Pardee Hospital notified the County Manager's office on April 24, 2009 of this decision.

Social Services staff assisted the County Manager in the planning process of assuring no disabled adult in Henderson County has a disruption in service during the transition to a new service provider.

***Appointment of Lead Agency for CAP-DA:***

NC Division of Medical Assistance (DMA) administers the CAP-DA program at the state level. County Board of Commission appoints a "lead agency" to administer the program on the local level. The following agencies may service as lead agency:

- County Department of Social Services
- County Health Department
- County Aging Department
- County Hospital

Lead agencies across the state include forty-four (44) departments of social services, twenty-five (25) hospitals, seventeen (17) health departments, and fourteen (14) aging departments. In seven (7) counties, the lead agency contracts with another provider.

DMA's perspective is contracting out a lead agency should only be a last resort if there are no other agencies in the county who want to operate the CAP/DA program.

**What is CAP-DA?**

The Community Alternatives Program for Disabled Adults (CAP-DA) is a federal program for Medicaid eligible adults (age 18 and older) to remain in their private residences who would otherwise need institutionalization. A doctor must certify institutionalization level of care is needed.

Eligible individuals include those who:

- Live in a private residence and are at risk of being placed in a nursing facility (or live in a nursing facility and desire to return to a private residence);
- Require nursing facility care (intermediate or skilled-level nursing care);
- Need CAP-DA services to remain safely at home;
- Can have his or her health, safety, and well-being maintained at home within the Medicaid cost limit; and
- Desire CAP-DA services instead of institutional care.

The total cost of CAP-DA home care must be within a monthly cost limit. The cost limit is 90% or less of the average cost of nursing home care.

CAP-DA services include:

- Case Management Services (a case manager helps coordinate services, provides information and arranges for community resources);
- In-Home Aide Services
- Medical equipment and supplies
- Home mobility aides (wheelchair ramps, grab bars, handheld showers & safety rails)
- Preparation/delivery of meals
- Respite care
- Telephone alert
- Adult Day Health Services (care of adults who need a structured day program of activities and services with nursing supervision)
- Regular Medicaid services (nursing visits, physical therapy, occupational therapy, speech therapy, and home health aid)

**Basic Numbers:**

The April 2008 Land of Sky Regional Council report, *The Aging Study of Henderson County*, provided the following CAP-DA data for Henderson County:

<i>Allocation</i>	<i>Number Served</i>	<i>Waiting list</i>	<i>FTE</i>	<i># of Referrals Received Per Month</i>
80	57	0	2	5

The Division of Aging and Adult Services report, *The Schedule of Expenditures by County, Funding Source and Services for Clients 60+ Years of Age*, provides the following information for Henderson County residents requiring nursing home level of care:

Year	CAP-DA Served	Federal/State Cost (Medicaid)	Nursing Home Served	Federal/State Cost (Medicaid)
06/07	70	\$1,201,380	675	\$16,020,868
07/08	59	\$1,016,179	643	\$15,908,072

**Process for Recommendation(s):**

The process for recommendation(s) includes:

- Contact(s) with DMA
- Contact(s) with four (4) Henderson County agencies that could serve as lead agency (Health Department, Park Ridge Hospital, Department of Social Services, and Council on Aging)
- Contact(s) with Pardee Hospital
- Contact(s) with Families Together, Inc. (regional CAP provider)
- Review of available DMA and CAP-DA documents
- Face-to-face interviews with interested agencies

**Continuity of Services for Disabled County Residents/Transition:**

Though the April 24, 2009 Pardee letter of termination states termination of services on June 1, 2009, Pardee has verbally committed to both DMA (Pamela Howard) and Department of Social Services staff continued administration of the CAP-DA program past June 1, 2009 to:

- Prevent an interruption in service
- Allow time for transition, including: appointment of new lead agency by the Board of Commission and approval of the new lead agency business plan by DMA

**Recommendation:**

**Park Ridge Hospital Strengths:**

- DMA preference for lead agency providing direct services (rather than lead agency sub-contracting indirect services)
- Large & stable hospital with medical resource and service depth
- Mission of Park Ridge Hospital includes community service development & outreach
- Active participation on Health Aging Coalition and Home & Community Care Block Grant Committee; Formal partner with Council on Aging and Department of Social Services in Henderson County's Partnership for Independent Living
- Medicaid policy, procedure and billing expertise
- Established working relationship with Medicaid eligibility determination staff (Medicaid staff on-site at Park Ridge)
- Capacity to handle all transitional arrangements and requirements with Pardee & NC Division of Medical Assistance

**Director's Perspective:**

Park Ridge Hospital self-initiated a letter of intent based on interest in (a) servicing the target group; and, (b) for elderly and disabled community outreach (Attachment II). Park Ridge states CAP-DA "fits in our new partnership with the Henderson County Partnership on Independent Living".

Adding the stated DMA preference that subcontracting be an option of last resort to the strengths of Park Ridge Hospital listed above, Park Ridge Hospital appears a solid recommendation.

LBS:saa

Attachments

1. *Pardee Hospital - Notice to Terminate Contractual Responsibilities*
2. *Statement of Interest – Park Ridge Hospital*



Margaret R. Pardee Memorial Hospital  
800 North Justice Street, Hendersonville, NC 28791

[www.pardeehospital.org](http://www.pardeehospital.org)

April 23, 2009

Mr. Larry Mason  
Chief of Facility and Community Care Staff  
2501 Mail Service Center  
Raleigh, North Carolina 27699-2501

Dear Mr. Mason:

Pursuant to the obligations expressed in the letter of agreement between the North Carolina Department of Human Resources, Division of Medical Assistance and Margaret R. Pardee Memorial Hospital, dated October 23, 1991, this letter is to give you the 30 day notification of our intent to terminate our responsibilities as the Lead Agency for Henderson County. Due to the upcoming changes in the oversight processes and some internal staff changes, we have determined that our business goals no longer support being a provider of these services.

We will continue to provide agreed upon services until June 1, 2009. Please be assured that Pardee will work closely with the new Lead Agency to ensure a seamless transition of responsibilities and avoid any disruption in patient care.

Respectfully,

A handwritten signature in cursive script, appearing to read "Patricia A. Ashe".

Patricia A. Ashe  
Vice President and Chief Nursing Officer



May 1, 2009

Mr. William Moyer, Chairman  
Henderson County Board of Commissioners  
1 Historic Courthouse Square, Suite 1  
Hendersonville, NC 28792

Dear Mr. Moyer:

It has come to my attention that the Henderson County CAP/DA program will require a new lead agency to oversee the program in the very near future. Please accept this letter as an official Statement of Interest that Park Ridge Hospital, through our Home Health Department, would like to be considered for the Lead Agency role for the Henderson County CAP/DA program.

I am interested in discussing this possibility with you and to share how Park Ridge Hospital and the Home Health Department is involved with other similar initiatives that impact the lives of citizens in Henderson County. I will contact your office early next week and with your permission, will set up a time to meet and discuss this opportunity.

Thank you so much for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Diane Sedgwick".

Diane Sedgwick, RN, MHA

Director, Home Health, Sleep Medicine, HME

cc. Kelly Pettijohn, CFO, Park Ridge Hospital

✓ Steve Wyatt, County Manager