

Statement of Interest – Statewide Long-Term Care Reform

Organization Name:

SCAN Health Plan, Long Beach, California

Contact Person and Contact Person's Organization (List name, address, telephone number, email and fax number.):

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Brief Description of Organization (Legal entity status, purpose, scope of enterprise):

SCAN Health Plan was formed in 1977 when a group of passionate seniors created a not-for-profit community agency in Long Beach, California called the Senior Care Action Network. In 1984, this organization became licensed as an HMO in California and began enrolling Medicare beneficiaries into its Social HMO Demonstration Project. Today SCAN Health Plan enrolls 78,000 Medicare beneficiaries in five counties in southern California, including more than 20,000 members who meet the state's standards as being "nursing home certifiable." These SCAN members receive home-and-community-based services through SCAN's Social HMO program. Today SCAN is the 4th largest Medicare Advantage plan in California and the 10th largest in the United States.

SCAN is a non-profit health plan licensed as an HMO whose purpose is to serve frail individuals, especially the frail elderly. SCAN has multiple lines of business, including the following programs for which it is at-risk:

- **Medicare Advantage** plans enrolling Medicare beneficiaries
- **Independent Living Power** Program that provides care coordination and home-and-community-based services to 19,000 "nursing home certifiable" individuals through its Medicare Social HMO Program,
- SCAN's **Independent Living Power** also enrolls 4,000 individuals who are dually eligible for Medicare and Medicaid to whom it provides long-

term care services through a capitated contract with the State of California.

In addition, SCAN has created a complementary care management organization called “**Independence at Home**” which is dedicated to providing culturally and economically diverse seniors and disabled adults with personalized home and community based services. Its programs include:

- **Multipurpose Senior Service Program** through which SCAN serves as the care management organization for 1,000 frail Medicaid beneficiaries in their homes who are impacted in at least two activities of daily living (ADLs) and two instrumental activities of daily living (IADLs). Services are provided by an interdisciplinary team of public health nurses and social workers who provide comprehensive assessment, care planning, service coordination and advocacy. Funding is provided by the State of California with additional support from SCAN Health Plan.
- **Integrated Care Management** is a comprehensive care management program for functionally impaired adults. It includes a comprehensive needs assessment, referral to community resources, referrals to physicians, respite assistance, advocacy and limited purchase of services. Funds are provided through the Los Angeles County Area Agency on Aging, with additional support from SCAN Health Plan and donations.
- **Interlinks Advantage** is a home-based mental health program serving Latino older adults. It operates with a multidisciplinary team that consists of mental health therapists, a nurse and a consulting pharmacist. The team provides in-home assessments to evaluate a client’s physical and mental health needs, evaluates medication risks and adherence issues and provides on-going services in the client’s home. The Program is funded by The California Endowment with additional financial support from SCAN Health Plan.
- **Faith in Action/Volunteer Action for Aging** is comprised of a volunteer liaison that recruits and provides training to volunteers and matches them to compatible clients who are frail seniors and disabled adults. The volunteers provide weekly contact to the clients who tend to be isolated and in need of social contact. The program also provides taxi vouchers to disabled adults, an annual Thanksgiving meal delivery program and will introduce a new grocery-shopping program in the near future. The Program was originally funded by the Robert Wood Johnson Foundation as part of a nationwide interfaith volunteer caregiving program. It is currently funded by the S. Mark Taper Foundation, SCAN Health Plan and private donations.

- **The Released Aging Prisoners Project** is an 18-month planning process that seeks to address the lack of community-based and specialized supportive health and human services for the rapidly increasing number of released older prisoners. Funding is from a planning grant from The California Wellness Foundation with additional support from SCAN Health Plan.

Interest in Planning and Implementation of Long-Term Care Reform in Wisconsin:

SCAN Health Plan has decided to pursue opportunities to care for frail individuals in states other than California. SCAN has just recently become aware of the interest on the part of the State of Wisconsin Department of Health and Family Services in significant reform of Wisconsin's long-term care delivery system. By submitting a response to this Request for Information, SCAN is indicating its potential interest in participating in long-term care reform in Wisconsin.

SCAN is:

- fully equipped to become a licensed HMO in Wisconsin,
- has significant financial reserves and financial management skills,
- is a Medicare Advantage plan as well as having contracts with Medicaid agencies,
- has exceptional experience in providing care management for frail elderly and disabled adults, and
- has the ability and willingness to take risk on both acute and long-term care services.

SCAN Health Plan is fully aware that Wisconsin has had a history of innovation in community-based long-term care, including both the Partnership programs and the FamilyCare Program. SCAN has participated in national organizations with the Partnership organizations and is familiar with their programs and their commitment to serving vulnerable individuals on an at-risk basis.

SCAN is also aware that there are undoubtedly many organizations operating in and familiar with Wisconsin that are interested in participating in the State's long-term care re-design program. SCAN appreciates the important role that is played by the counties in providing long-term care services in Wisconsin. SCAN is willing to explore partnership opportunities with local organizations that may want to participate in long-term care re-design and that would complement SCAN's organizational capabilities. SCAN would find it very beneficial if the State were to identify potential partners who are willing to cooperate and collaborate with SCAN, as well as identifying geographic areas in which SCAN might be successful.

In summary, SCAN has the capability to implement and take risk for comprehensive, integrated acute and long-term care for significant numbers of Wisconsin Medicare and Medicaid beneficiaries. However, SCAN does not currently operate in Wisconsin and is not familiar with the organizations that potentially would be its partners. SCAN recognizes that in order to be successful in Wisconsin, it would have to establish cooperative relationships with local governmental and community-based organizations.

Geographic Area of Interest

Since SCAN Health Plan does not currently do business in Wisconsin, SCAN is open to serving any service area in which it is possible to operate in cooperation with local organizations, and in which it is possible to enroll enough members to be financially viable.

Proposed Scope and Nature of the Program (including target groups to be served, benefit package to be offered, and rationale for this proposal in terms of fiscal soundness and program effectiveness)

The Social HMO model is predicated upon the combination of home-and-community-based services with acute care services. This is the model that SCAN Health Plan has been operating for the past twenty years. The Social HMO is a very comprehensive, at-risk model and one with which SCAN is very comfortable. SCAN believes that the provision of home-and-community-based services can postpone and prevent admission to a nursing home.

SCAN is very experienced in providing and coordinating acute and long-term care for large numbers of seniors. Therefore, SCAN is most comfortable and adept with a program focused on seniors. However, SCAN recognizes that the State of Wisconsin is interested in creating programs that include adults with disabilities and adults with developmental disabilities, in addition to seniors. It is our understanding that these adults with disabilities are also in need of long-term care and that most adults with disabilities will be enrolled into the Medicaid managed care plans in Wisconsin. SCAN currently administers a home-and-community-based waiver program for adults with disabilities under age 65 in Los Angeles County. SCAN is willing to contemplate creating a program that includes all of the individuals that the State is interested in including in its long-term care redesign: the elderly, adults with disabilities and adults with developmental disabilities.

SCAN Health Plan understands the desire of the State of Wisconsin for programs that are comprehensive. SCAN is comfortable with assuming risk for the FamilyCare benefit package, as well as assuming risk for the Partnership benefit package (including becoming a Medicare Advantage Plan).

SCAN currently coordinates and is at-risk for home-and-community-based services as well as administering several HCBS programs in Los Angeles Counties for which they are not at risk. SCAN is comfortable creating a model that will conduct an individualized assessment and determine which and how much long term care services an individual needs.

In addition, SCAN is currently a Medicare Advantage health plan with 78,000 members, 20,000 of whom are nursing home eligible and receive home-and-community-based services. SCAN is interested in becoming a Medicare Advantage plan in Wisconsin and enrolling individuals in both its FamilyCare-equivalent as well as its Medicare programs. SCAN believes that by combining both the Medicare and Medicaid funding streams, the most efficient and cost-effective care can be delivered, resulting in savings to the State of Wisconsin. Combining the Medicare and Medicaid reimbursement for a single individual also enables the health plan to make the best, most cost-effective decisions without regard for the rules of each payor and the cost-shifting behavior that often accompanies those rules.

SCAN is a financially viable organization with a strong balance sheet. SCAN is committed to serving frail individuals and is also committed to maintaining its non-profit status. SCAN would be a strong partner for the State of Wisconsin and any counties and community-based organizations that are willing to partner with it.