

# Single Point of Entry Demonstration

Highlights of Cost Effectiveness  
Evaluation

Presented to:  
House Senior Health, Security, and  
Retirement Committee  
June 24, 2009

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## Outline of Presentation:

- Differences in Long Term Care services & costs
- Differences in Level of Care Determinations
- Differences in transitions out of nursing facilities back to the community
- Potential future savings

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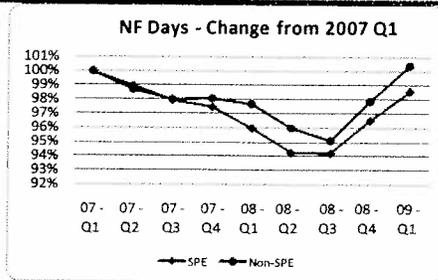
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## Nursing Facility Days



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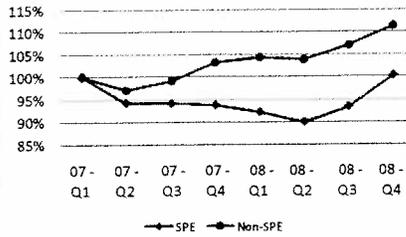
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## Waiver Days

Waiver Days - Change from 2007 Q1



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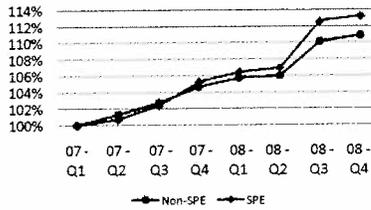
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## Adult Home Help Expenditures

Adult Home Help Spending - Change from 2007 Q1



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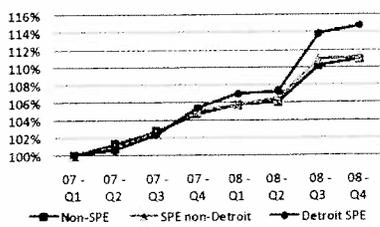
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## Adult Home Help Expenditures

Change from First Quarter FY 2007



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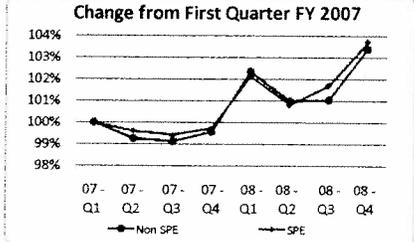
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### Aggregate Long Term Care Costs – Including Cost of SPE



In the short run, the increased adult home help costs outweighed the nursing facility and MI Choice waiver savings in the SPE counties.

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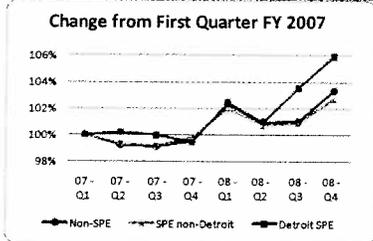
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### Aggregate Long Term Care Costs – Including Cost of SPE



The non-Detroit SPE areas have already achieved cost neutrality. In Detroit the SPE may have increased awareness of services such as adult home help for an already eligible population.

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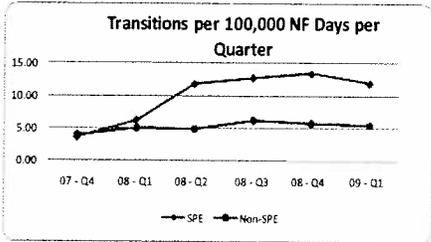
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### Promising Trend - Transitions out of Nursing Facilities



Expected future savings are \$11.3 million per year if higher transition rate is maintained.

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## Promising Trend: Level of Care Determinations

October 2008 to March 2009	
Percent Not Eligible	
<b>Non-SPE Regions</b>	
Nursing Facilities	0.29%
Waiver	4.78%
<b>Total</b>	<b>1.24%</b>
<b>SPE Regions</b>	
Nursing Facilities	1.04%
Waiver	7.39%
<b>Total</b>	<b>2.87%</b>

On an annualized basis, the NF difference represents a savings of \$6 million.

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## Conclusions

- SPE was correlated with lower trends in nursing facility days and MI Choice waiver days of service.
- Adult home help costs were higher in the Detroit SPE area.
- As of September 2008 the SPE was not yet cost effective.
  - Note: for the SPEs outside of Detroit, cost effectiveness was already achieved.
- SPE led to some promising results related to transitions out of nursing facilities and lower rates of approval for entry to nursing facilities or the MI Choice waiver that could be expected to reduce future long term care costs.

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