

## **Olmstead: Money Follows the Person - Information Bulletin #37 (8/02)**

Many folks have been struggling with their Governors and State Medicaid departments to force compliance with the Olmstead decision -- that is, to compel states to stop the unnecessary segregation of people with disabilities in nursing homes and to mandate providing to persons with disabilities the "real choice" of living in their homes and communities with appropriate services.

This summer Tommy Thompson, Secretary of the U.S. Department of Health and Human Services, the federal agency that funds all the home and community-based waivers and also funds nursing homes, made several important announcements that you should use in your local struggles to implement the Olmstead decision.

On August 12, 2002, he wrote to your governor, "We believe there is a tremendous opportunity to serve people ... in their own homes or other community residential settings without increasing costs." He suggested, based on what some states have already implemented, programs that the feds have already approved "under existing [federal] authority." The three programs are:

1. "Money Follows the Person" model -- whatever amount your state pays the nursing homes should "follow the person" to be used in the community. The Secretary acknowledged that when the "money follows the person" it "assures stability of community living."

The "Money Follows the Person" model is a TREMENDOUS handle for advocates! It accomplishes several goals at one time, including equalizing the amount spent on the individual regardless of the location, stopping states from using waivers that are substantially LESS than what is paid in the nursing home for the same person, and sets up some good old fashion competition. Since your State is already spending the money on the person in the nursing home, they can't say it is a budget issue!!!!  
**MOVE THE MONEY FROM THE NURSING HOME BUDGET TO THE COMMUNITY BUDGET. IT'S THAT SIMPLE!**

2. "Diversion programs to keep people in the community." This recognizes that Olmstead applies to persons in the community and not institutionalized. Also, it recognizes that once people go into the institution, many people psychologically seem to lose their self confidence that they have the skills and ability to live in their own homes. Providing services BEFORE the person is institutionalized also mitigates the housing problems. Independent living centers can be points of diversion by marketing themselves as places that can pull together the various support services to keep folks in the community and "independent."

3. Transition programs to move persons from nursing homes to community placements. With regard to this, on May 9, 2002, in a "Dear State Medicaid Director" letter, HHS/CMS included as appropriate reasonable costs for "community transition services," the following: security deposits to obtain a lease; "essential furnishings and moving expenses required" to live in the community; "set-up fees or deposits" for utility services. We've been fighting for these for years and now HHS agrees. Your State has to select to put "transition costs" into your waiver program. They may not do it if you do not give them a nudge.!!

These three programs provide advocates with an awesome opportunity. The feds are telling us to force your states to do these three and the feds will approve these programs. There are NO EXCUSES that your Governors or Medicaid directors can give you! DON'T MOURN. ORGANIZE.

Steve Gold, The Disability Odyssey continues

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