



Financial Management in a Medicaid Environment

November 21, 2024

Regional Health Hubs are an important resource for agencies who wish to deliver DHS housing supports services



Regional Health Hubs bring together multiple sectors to address state priorities and other pressing health concerns.



Functions of a Regional Health Hub:

- Convene stakeholders in healthcare and beyond around state Medicaid priorities.
- Operate a Health Information Exchange (HIE).
- Serve Medicaid and other state departments as a local expert, strategic planning partner and program implementer.
- Innovate on population and clinical health interventions in response to local needs.



Regional Health Hubs will support providers

Camden Coalition will:

- Deliver and curate trainings about the program
- Serve as a “help line” for providers to field/answer questions and troubleshoot issues throughout the process
- Liaise between the State, MCOs and providers to support implementation

All RHHs will:

- Promote the program to recruit a robust network of providers within their regions
- Conduct member/community engagement to inform program design

Here is your CSH Team



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About CSH

CSH collaborates to advance solutions that build equity in our communities by linking services, housing, and healthcare to improve the lives of vulnerable people, maximize public resources, and build healthy communities.



In the chat, please place your name, agency, and agency role.

And one thing you are looking forward to as the weather cools.

Who's In The Room Today?

Today we will cover



Transitioning from grants based to revenue generating operations



Phases I & II: Start up and early implementation of new operations & a tool to understand costs



Phase III: Sustaining new operations



Questions and Answers



Transitioning from Grants Based to Revenue Generating Operations

Overview of Housing Supports program

Goals

- Help **find & maintain housing** for housing insecure members to **improve health outcomes**
- Drive greater connection of the housing and health care ecosystems

Authority

- 1115 demonstration approved by CMS through June 2028

Geography

- Statewide

Services

- **Pre-tenancy services:** case management supports to help member find housing
- **Tenancy sustaining services:** case management supports to help members maintain housing
- **Residential modification and remediation:** modifications or repairs to home to ensure health & safety
- **Move-in supports:** payment to support the setup of new housing or a move
- **Does not include payment for rent or housing production**

Eligibility

- MCO enrolled
- At least 1 clinical risk factor (e.g., chronic health condition, mental health condition)
- At least 1 social risk factor (e.g., homeless, at risk of homelessness)

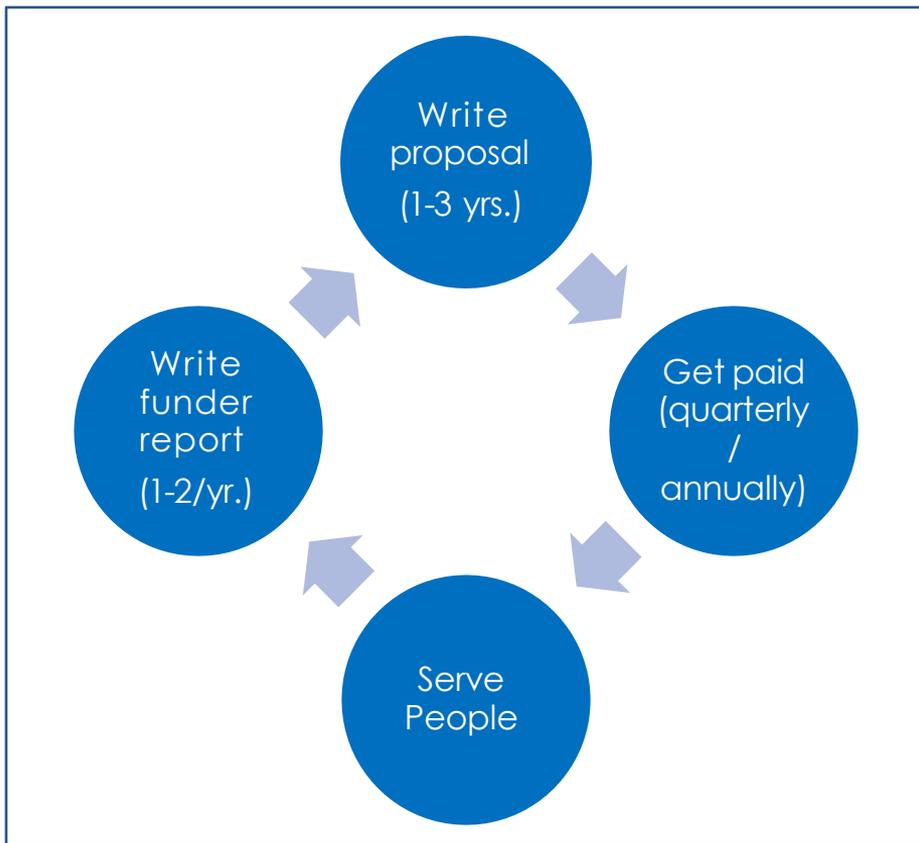
Provider qualifications

- Pre-tenancy and tenancy sustaining services: organizations with experience serving housing insecure populations; can demonstrate experience via participation in other comparable government programs
- Modification and remediation services: licensed home contractors will deliver
- Move-in supports: housing supports providers or MCOs can pay directly and be reimbursed for these costs

Admin model

- MCOs responsible for building network, paying claims, authorizing services, and MCO care management
- Housing supports providers responsible for delivering services

The **grants** world administratively:



The **Medicaid** world administratively:



What both models have incommon...

GRANTS

- Program level Funding
- Funding at or before program launch

- Require knowing your true costs of delivering services (total program costs)
- Cash flow projected, with expenses and revenue anticipated by month
- Compliance in financial management – and do not allow supplanting

MEDICAID REIMBURSEMENT

- Reimbursement by person served
- Funding 30-90 days after services were delivered

Keys to Medicaid Funding for Service Providers



Eligibility & Enrollment

- Is the person I want to assist **eligible** for NJ FamilyCare?
- Is the person **enrolled** in NJ FamilyCare?
- What is required to get them enrolled?
- Which MCO has their coverage and does my agency have a contract with that MCO?

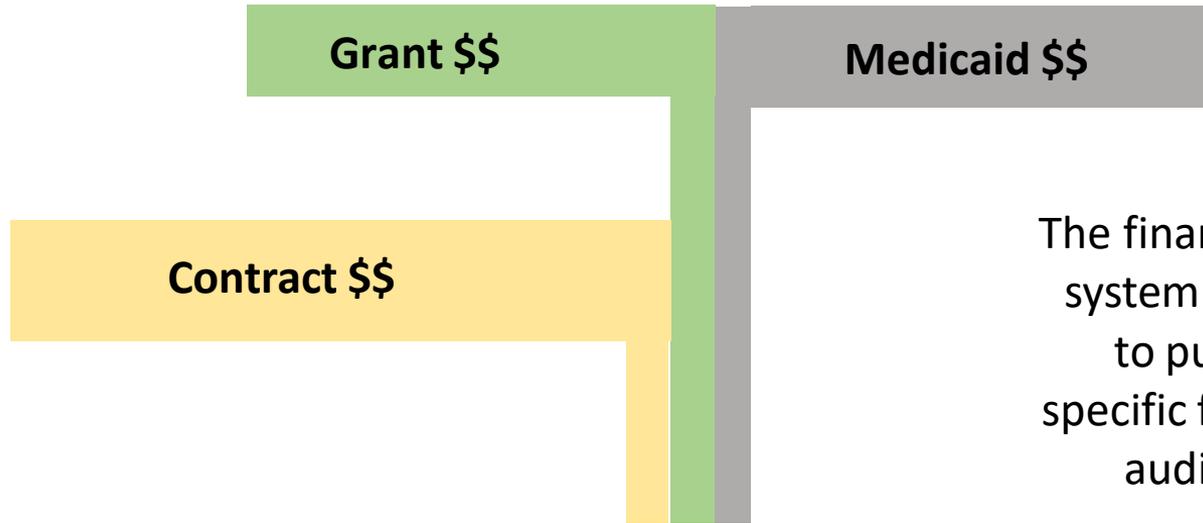
Services

- What services are they eligible for?
- What services are covered in housing supports program that they need and qualify for?

Provider Billing

- Is my agency enrolled in NJ FamilyCare to provide housing supports program services?
- Does my agency have a contract to provide housing supports program with the relevant MCO?

Your financial management systems need to be able to track and braid multiple funding sources



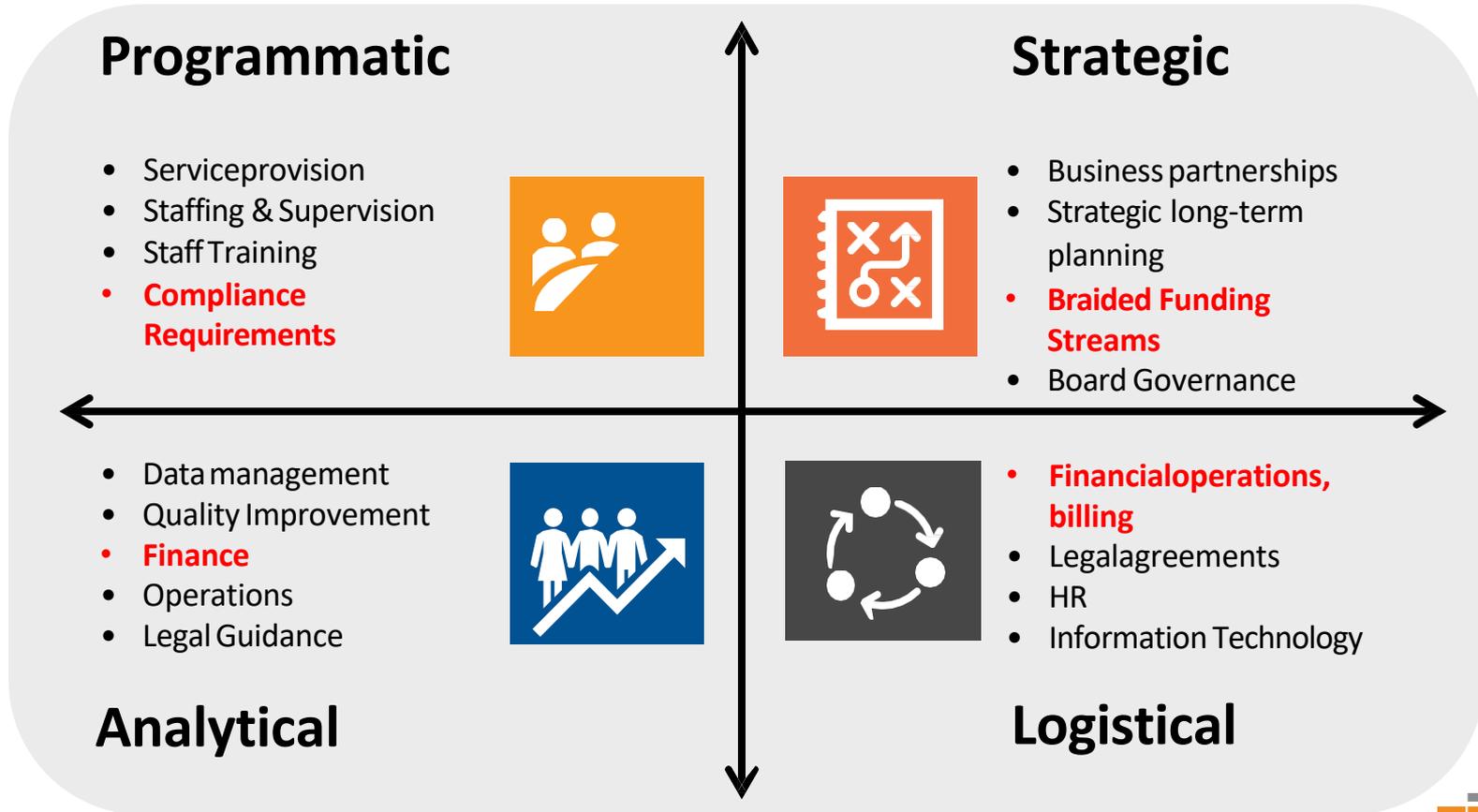
The financial management system needs to be able to pull out types of specific funding source for auditing purposes

**All Revenue / funding
for your organization**



Phases I & II: Planning, Start-up and Early implementation of Medicaid Operations

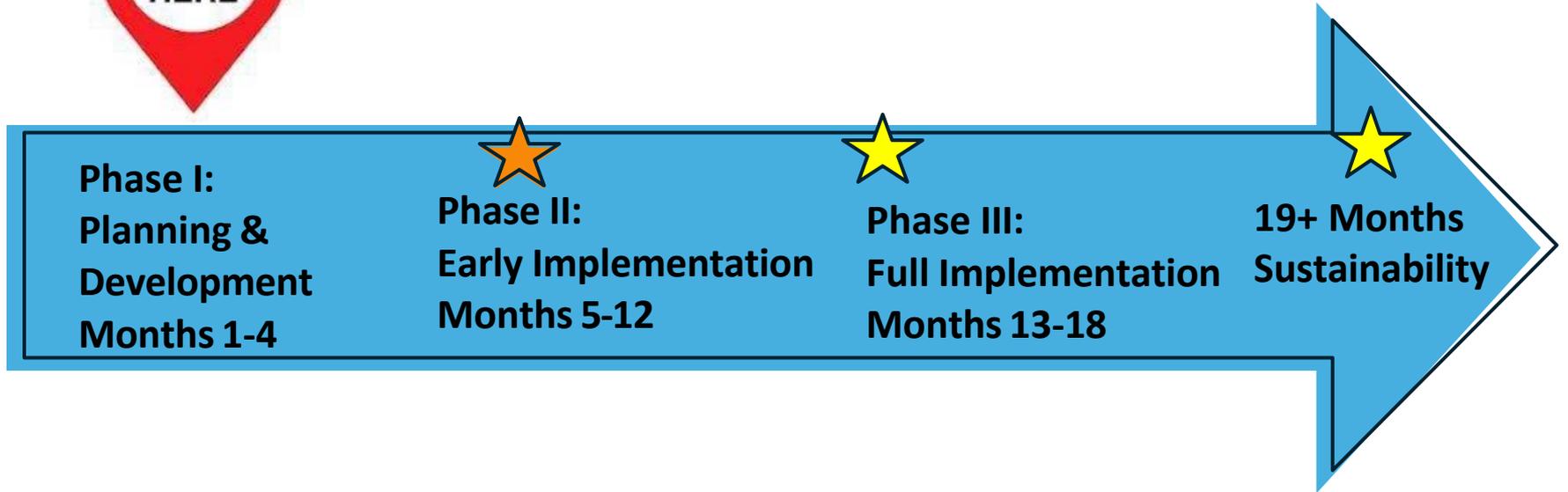
Medicaid Operations Requires An Organizational Approach



What might change as part of this transition?

Referral processes	Workflows	Documentation	Payment	How you are paid
When you are paid	Who pays you and at what rate	Staffing and supervision	Staff expectations	Information Systems
	Reporting	Outcomes	Fiscal Management	

Housing Supports Program Implementation Timeline



**Phase I:
Planning &
Development
Months 1-4**

**Phase II:
Early Implementation
Months 5-12**

**Phase III:
Full Implementation
Months 13-18**

**19+ Months
Sustainability**

Phase I: Assemble Your Team



Think about the roles of your staff and how they might interface with housing supports service delivery:

- Leadership
- Program
- Fiscal
- Information Technology
- Quality Improvement/ Compliance

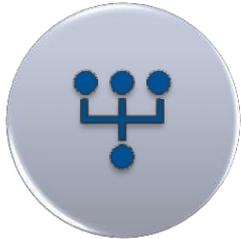
Phase I: Planning Efforts



Develop a transition plan and identify a Transition team and team leader.



Gather data on who you currently serve. Which are their MCOs? Approach MCOs that cover the Housing Supports Program for those you serve about a contract.



Determine which staff are 'billing' staff. What are the revenue generation expectations for each billing staff role?



Develop revenue projections based on billing staff. Develop reporting to determine if revenue goals are being met.

Phase I: Financial Planning

What is your Total Cost of Delivering Services for your agency?



Your financial plan should include:

1. One-time costs
2. Assumptions for revenues
3. Sustainability / Costs over time

Financial Planning cont. -- Total Cost of Care: Service Delivery



- ✓ Estimate new Medicaid-related agency costs.
- ✓ Understand your current Total Cost of Delivering Services.
- ✓ Set reasonable goals and develop a work plan to provide quality services. Understand what changes if any are needed to your current budget (e.g., staffing mix, caseloads, new expertise needed, and training).
- ✓ Develop a deeper understanding among your team of what including housing support services in your agency will cost day-to-day and how it will affect your agency's bottom line.

Phase I: Start Up Costs to Consider



Person-Centered
Designed (focus
groups, lived
expertise)



TA or
Consultants



New Data
Systems or
Software



Legal Support in
Contracting



Short Term
Salaries



Ramp Up
to Case Loads



IT or Vendor
Support

Phase I: Estimating Case Load Sizes

Based on DMAHS provider guidance, there are **no requirements** for how many members a case manager's caseload will consist of, but the estimate is a **caseload of 15 for members with a "high" level of need** and a caseload of **30 for members with a "low" level of need**



Are individuals
new
to services?



Are direct
service
professionals
new to the
work?

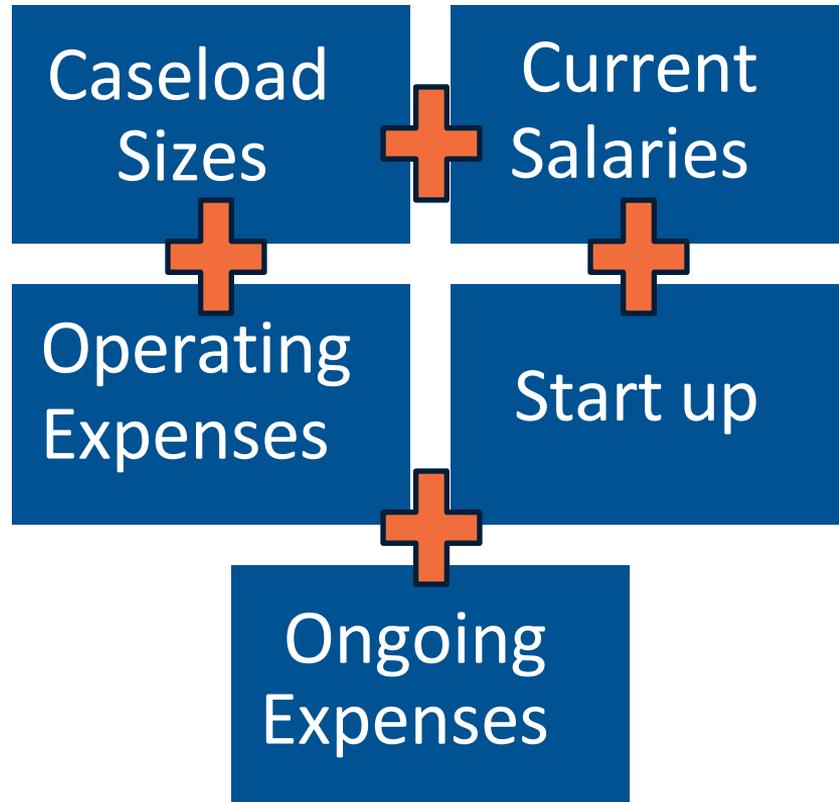


Referrals from
MCOs and/or
self-generating
referrals



What best practice models
address the needs of the
population?

Phase I: Estimating the True Cost of Delivering Services



If you aren't sure where to begin in estimating the true cost of delivering services:

- Start with your existing caseload sizes, current salaries, and current operating expenses
- Add start-up and ongoing costs that are part of housing supports service provision, including adjustments to current costs to account for what it will take to achieve excellent outcomes and retain staff

Phase I: Items Needed to Estimate Costs

Access to **Staff Salaries** for direct service staff, middle managers or supervisors, and Quality Improvement staff (aka personnel expenses)

Access to **program budget(s)** that include operating costs for your organization (office rent, utilities, technology costs, any OTPS expenses)

Phase I: Accounting for and Covering New Costs

What is it going to cost to become an MCO contracted provider?

Determine one-time and ongoing costs to sustain capacity and quality for housing supports services.

Phase I:

Planning and Development

Months 1-4

- Workplan developed with an initial budget, incorporating anticipated new revenue and expected additional costs
- Revising policies and procedures to align with new financing mechanisms
- Fiscal staff trained on billing system

Phase I: Two Tools to Prepare for New Operations

- 1. Readiness Assessment:** a 5-page document, goes beyond budgeting to help leadership understand opportunity
- 2. Services Budget Tool:** interactive excel spreadsheet to figure out the math

Tool #1: Readiness Assessment



New Jersey's Housing Support Services Provider Readiness Survey

As part of New Jersey's Medicaid 1115 waiver, New Jersey was approved to offer Health Related Social Needs (HRSN) benefits including housing supports to some New Jersey's FamilyCare program members. Organizations that already provide pre-tenancy and tenancy sustaining services will play a significant role in helping to ensure that individuals who qualify for the HRSN benefit can access these supports.

The questions below support organizations in self-assessing their readiness level to become a Housing Supports Service Provider. The information provided in this survey will be used to tailor the technical assistance to the identified needs.

CSH is supporting the Regional Health Hubs in their role to assist agencies who do not contract with Medicaid Managed Care to make the transition to billing Medicaid for their services, via the New Jersey MCOs.

Please complete one survey for your organization.

Name of Organization/Agency:

Primary Contact Name:

Primary Contact's Role at Agency:

Address:

Work Phone:

Cell Phone:

Email:

Agency currently provides:

- Housing - Pre-Tenancy Support - Services that help people access and move into housing
- Housing - Tenancy Sustaining- Services that help people remain housed
- Housing - Residential Modification and Remediation- Assistance to make a home a healthy environment
- Housing - Move In Supports

b. Prepare and submit Medicaid Claims including all required information for Payment					
c. Conduct a financial audit at least every two years					
d. Provide review and tracking of services provided and payment received					

and Reporting

	Check One				
	Yes Complete	Yes, but not complete	In Progress	Not Started	Not Sure
The organization collects and tracks client data and service delivery data (e.g., client demographics, # of clients served, outcome of services, etc.)					
The organization has a computer system that is HIPAA compliant and/or safeguards clients' confidential or protected health information.					
a. Staff are regularly trained on data security, confidentiality, and protected health information.					
The organization has staff member(s) whose role includes overseeing quality of data provided and addressing data completeness and errors.					
The organization uses a computer program to document services or interactions with clients.					

Tool #2: Services Budget Tool

Use the tool to calculate revenue projections.

What does it cost to employ one direct service professional?

Salary, benefits and fringe together equal total costs.

Snapshot from Services Budget Tool:

2a. Please complete the blue boxes below with local staffing information.

<i>Program Staff</i>	<i>FTE</i>	<i>Annual Salary (per FTE)</i>
HSS Specialist / Housing Case Manager		\$40,000
Peer Support		\$35,000
Housing Specialist		\$40,000
Employment Specialist		\$40,000
Total Direct Service Staff	0.0	

<i>Support Staff</i>		
Program Director		\$65,000
Administrative Support		\$36,000
Housing Manager (liason with landlord)		\$50,000
Supervisor		\$45,000
Total Staff	0.0	

Tool #2: Services Budget Tool

- What revenue does a direct services worker need to generate to cover costs both to employ them and the agency that supports them?
- What are the thresholds for payment?

Snapshot from Services Budget Tool

F. REVENUE	
In Kind /Community Partner Service	\$0
Program Service Fees	\$0
Grants	\$0
Private Insurance	\$0
Medicaid Reimbursement*	\$288,000
Other Revenue	\$0
TOTAL REVENUE	\$288,000
G. SURPLUS / (DEFICIT)	
	(\$173,474)

Medicaid revenue, calculated from the Medicaid Reimbursement Rate you inputted in section 2b of the NJ Housing Supports Tab.

*****Medicaid is covering 55% of your annual budget*****

***Your annual budget equals your program costs plus your annual Medicaid administrative costs (it does not include startup costs or one-time Medicaid costs)*

Phase II:

Early implementation: Months 5-12

- Revenue targets have been set by supervisors and communicated to front line staff
- Begin submitting claims
- Track lessons learned as claims are submitted, denied and re-submitted
- Expect some revenue but not at full sustainability



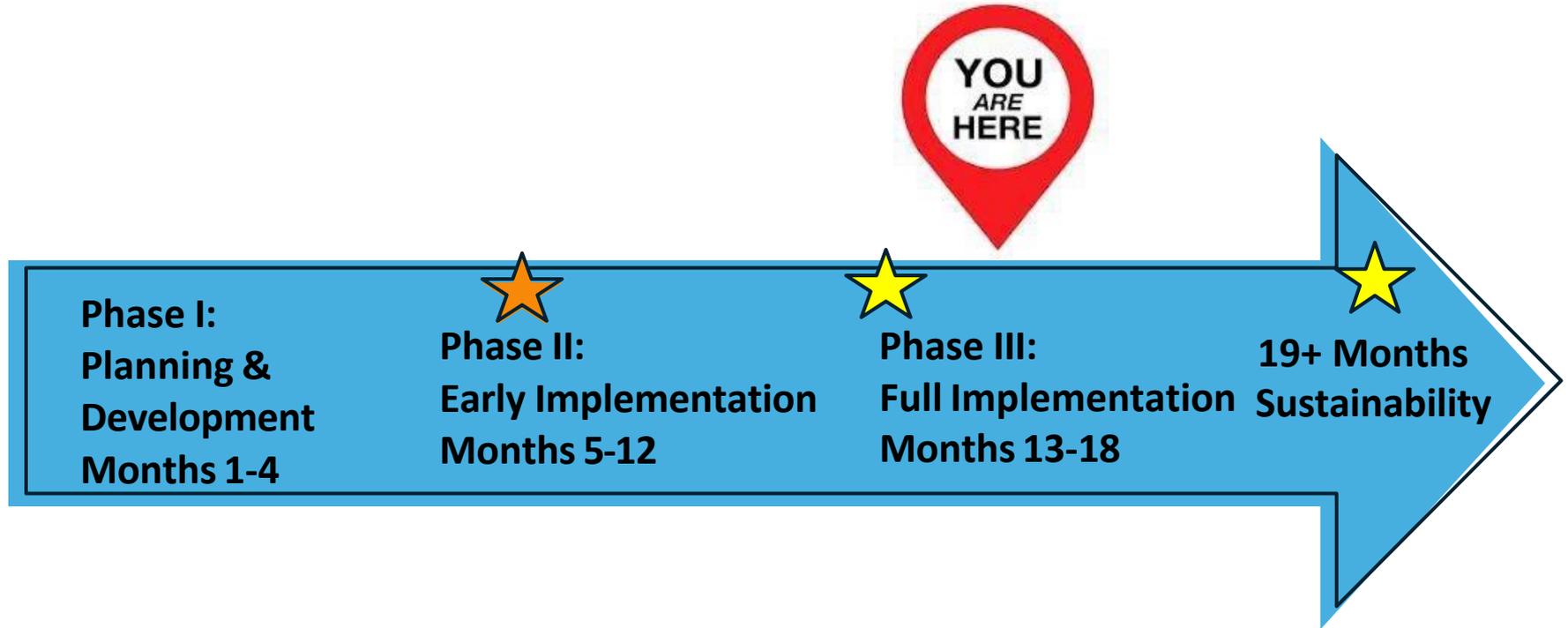
Phase III: Sustaining Operations in a Medicaid Billing Environment

Phase III: Key Concept in Reimbursement Planning

Sustaining your program as costs evolve: Shifting your management strategy



Housing Supports Program Implementation Timeline



Phase III

Full Implementation

Months 13-18

- Consistently billing and percentage of claims successfully completed increasing monthly
- Process has been developed to reward staff meeting billing targets and address challenges faced by staff not meeting targets
- Billing staff have solidified processes and have strong relationships with MCOs to quickly address billing issues

Phase III: Ongoing Costs to Consider



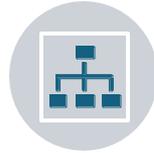
Staff



Training



Business
Support



Supervision



Quality
Improvement



IT, Data Plans

Phase III: Data You Need To Estimate Revenue

- Demographics*
- NJ FamilyCare Enrollment is active
 - Levels of need (intensity of services/variation in acuity) for current clients- to predict frequency of visits and duration of billing and forecast loads
- Number of people served by current service type and fund source - can sources be braided to complement and supplement, without supplanting? Does your documentation system support this level of detail?



MCOs' healthcare utilization data may not represent actual need for housing support services. BIPOC individuals historically have less interaction with the medical systems and may be underrepresented among MCO referrals. Housing Supports Program providers, like you, can help promote equitable access by referring clients to housing support services and having an equity plan to address the need for equitable access.

Phase III: Data you need to Estimate Revenue

- Type of referral you will receive (new clients versus existing)
- Volume (of new referrals coming in)
- Frequency (of staff visits based on acuity)
- Outreach time, without contact made
- Number of registered members served during one month, and rate of reauthorizations approved for the next service period
- Staff expectations of how much revenue is generated per billing staff
- Payment Threshold- How much or how often or what threshold must be met to bill for services that month ?



Phase III: External Impacts on Revenue Projections



Slow or inconsistent referrals to provider



Service registration lapse



Medicaid member enrollment lapse



Percent of claims denied



Rate changes or lack of increase overtime



Delayed reimbursement

Phase III: Other Impacts on Revenue Projections



Variation and frequency/duration of visits



of clients an agency refers to MCEs



NJ FamilyCare enrollment renewed on time



Accuracy of clean claims submitted on first attempt



New service registration numbers align with expectations



Resubmission of corrected claims for reimbursement

Questions?

Thank you!

[More questions? Please reach out!](#)

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