

DHS BUDGET REQUEST FOR FY 2016-2017
(\$ Amounts in Thousands)

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APPROPRIATION:
Services to Persons with Disabilities

I. SUMMARY FINANCIAL DATA

	2014-2015 Actual	2015-2016 Available	2016-2017 Budgeted
State Funds	\$273,538	\$334,036 ¹	\$378,177
Federal Funds Total	\$324,202	\$371,922 ²	\$409,797
Federal Sources Itemized			
<i>Medical Assistance - Services to Persons with Disabilities</i>	\$324,202	\$371,922	\$409,797
Other Funds	\$0	\$0	\$0
Total	\$597,740	\$705,958	\$787,974

IA. REQUESTED SUPPLEMENTALS (Included above)

State Funds	\$20,320
Federal Funds	\$21,593
Federal Sources Itemized	
<i>Medical Assistance - Services to Persons with Disabilities</i>	\$21,593
Total	\$41,913

¹ Includes a recommended supplemental appropriation of \$20.320 million. Act 10-A of 2015 provided \$313.716 million for this program in Fiscal Year 2015-2016.

² Includes a recommended supplemental appropriation of \$21.593 million. Act 10-A of 2015 provided \$350.329 million for this program in Fiscal Year 2015-2016.

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	APPROPRIATION: Services to Persons with Disabilities				
	2014-2015 Actual	2015-2016 Available	2016-2017 Budgeted	Change Budgeted vs. Available	Percent Change
PERSONNEL					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Personnel	\$0	\$0	\$0	\$0	0.00%
OPERATING					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Operating	\$0	\$0	\$0	\$0	0.00%
FIXED ASSETS					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Fixed Assets	\$0	\$0	\$0	\$0	0.00%
GRANT & SUBSIDY					
<i>State Funds</i>	\$273,538	\$334,036	\$378,177	\$44,141	13.21%
<i>Federal Funds</i>	\$324,202	\$371,922	\$409,797	\$37,875	10.18%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Grant & Subsidy	\$597,740	\$705,958	\$787,974	\$82,016	11.62%
NONEXPENSE					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Nonexpense	\$0	\$0	\$0	\$0	0.00%
BUDGETARY RESERVE					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Budgetary Reserve	\$0	\$0	\$0	\$0	0.00%
UNCOMMITTED					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Uncommitted	\$0	\$0	\$0	\$0	0.00%
OTHER					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Other	\$0	\$0	\$0	\$0	0.00%
TOTAL FUNDS					
<i>State Funds</i>	\$273,538	\$334,036	\$378,177	\$44,141	13.21%
<i>Federal Funds</i>	\$324,202	\$371,922	\$409,797	\$37,875	10.18%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Funds	\$597,740	\$705,958	\$787,974	\$82,016	11.62%

APPROPRIATION:
Services to Persons with Disabilities

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016 Estimated</u>
State Funds	\$3	\$0	\$0

IV. COMPLEMENT INFORMATION	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>2016-2017 Budgeted</u>
State/Federally Funded			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Federally Funded			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Other Funded			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Total			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Benefit Rate	N/A	N/A	N/A

V. DERIVATION OF REQUEST / LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:

The Fiscal Year 2016-2017 Governor's Executive Budget reflects an increase in State funds of \$44.141 million from the Fiscal Year 2015-2016 funding level of \$334.036 million to \$378.177 million. It also reflects an increase of \$37.875 million in Federal Medical Assistance funds from the Fiscal Year 2015-2016 funding level of \$371.922 million to \$409.797 million.

Detail on the appropriation is outlined in Section VI entitled "Explanation of Changes" on the following pages.

Legislative Citations:

62 P.S. § 201 et seq.

Disbursement Criteria:

The provider of service must be enrolled in the Medical Assistance program and the service must be a covered Medical Assistance benefit. The recipient of the service must be deemed eligible to receive Medical Assistance benefits and the reimbursement of the covered services must be in accordance with promulgated fee schedules/rates of reimbursement established for the service.

VI EXPLANATION OF CHANGES

(\$ Amounts in Thousands)

APPROPRIATION:

Services to Persons with Disabilities

	<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total</u>
GENERAL FUND				
GRANT & SUBSIDY				
1. Reflects a decrease in consumers in the OBRA Waiver for Fiscal Year 2016-2017:	(\$31)	(\$33)	\$0	(\$64)
2. Provides for an increase in OBRA Waiver monthly cost per consumer from \$5,366.86 in Fiscal Year 2015-2016 to \$5,441.60 in Fiscal Year 2016-2017:	\$596	\$621	\$0	\$1,217
3. Provides for the annualization of new Independence consumers entering the program in Fiscal Year 2015-2016:	\$17,195	\$17,251	\$0	\$34,446
4. Provides for an increase in Independence Waiver monthly cost per consumer from \$3,941.64 in Fiscal Year 2015-2016 to \$3,955.24 in Fiscal Year 2016-2017:	\$1,022	\$1,070	\$0	\$2,092
5. Provides for the annualization of new COMMCARE consumers entering the program in Fiscal Year 2015-2016:	\$1,489	\$1,556	\$0	\$3,045
6. Provides for an increase in COMMCARE Waiver monthly cost per consumer from \$7,064.78 in Fiscal Year 2015-2016 to \$7,177.08 in Fiscal Year 2016-2017:	\$581	\$605	\$0	\$1,186
7. Provides for the annualization of the addition of Personal Assistant Services and Respite Care Overtime Rates, effective January 1, 2016:	\$1,148	\$1,240	\$0	\$2,388
8. Impact of the loss of enhanced Federal funding associated with the Balancing Incentive Program which expired on September 30, 2015:	\$6,788	(\$6,788)	\$0	\$0
9. Impact of the change in the Federal Medical Assistance Percentage (a decrease from 52.01 percent to 51.78 percent, effective October 1, 2016). Full-year blended rate decreases from 51.9625 percent to 51.8375 percent:	\$1,004	(\$1,004)	\$0	\$0
10. Reflects the non-recurring roll forward of costs from Fiscal Year 2014-2015 to Fiscal Year 2015-2016:	(\$7,243)	\$0	\$0	(\$7,243)
Subtotal Grant & Subsidy	\$22,549	\$14,518	\$0	\$37,067
FISCAL YEAR 2016-2017 INITIATIVE				
GRANT & SUBSIDY				
1. Community Opportunities				
A. To provide home and community-based services to 1,440 additional individuals with disabilities in Fiscal Year 2016-2017:				
	\$18,353	\$19,878	\$0	\$38,231

VI EXPLANATION OF CHANGES

(\$ Amounts in Thousands)

APPROPRIATION:

Services to Persons with Disabilities

	<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total</u>
2. Community HealthChoices				
A. Impact of the transition from multiple fee-for-service delivery systems to a consolidated, capitated, managed long-term services and supports system called Community HealthChoices. This system will be implemented in the Southwest Region of the Commonwealth beginning January 2017:	<u>\$3,239</u>	<u>\$3,479</u>	<u>\$0</u>	<u>\$6,718</u>
Subtotal Fiscal Year 2016-2017 Initiatives	<u>\$21,592</u>	<u>\$23,357</u>	<u>\$0</u>	<u>\$44,949</u>
TOTAL GENERAL FUND	<u><u>\$44,141</u></u>	<u><u>\$37,875</u></u>	<u><u>\$0</u></u>	<u><u>\$82,016</u></u>

Services to Persons with Disabilities
Fiscal Year 2016-2017 Governor's Executive Budget
Fiscal Year 2015-2016

OBRA	Total	Federal	State	OBRA Users	Expansion Users	Total Users	Cost Per User
JULY 2015	\$6,587,227	\$3,414,279	\$3,172,948			1,349	\$4,883.04
AUGUST	\$7,571,967	\$3,927,481	\$3,644,486			1,336	\$5,667.64
SEPTEMBER	\$4,628,658	\$2,400,805	\$2,227,853			1,300	\$3,560.51
OCTOBER	\$10,153,774	\$5,287,375	\$4,866,399			1,344	\$7,554.89
NOVEMBER	\$7,672,590	\$3,995,117	\$3,677,473			1,328	\$5,777.55
DECEMBER	\$6,319,222	\$3,286,627	\$3,032,595	1,328	0	1,328	\$4,758.45
JANUARY 2016	\$6,319,222	\$3,286,627	\$3,032,595	1,328	0	1,328	\$4,758.45
FEBRUARY	\$8,690,140	\$4,519,742	\$4,170,398	1,328	0	1,328	\$6,543.78
MARCH	\$6,319,222	\$3,286,627	\$3,032,595	1,328	0	1,328	\$4,758.45
APRIL	\$6,319,222	\$3,286,627	\$3,032,595	1,328	0	1,328	\$4,758.45
MAY	\$8,690,140	\$4,519,742	\$4,170,398	1,328	0	1,328	\$6,543.78
JUNE	\$6,319,222	\$3,286,627	\$3,032,595	1,328	0	1,328	\$4,758.45
Subtotal	\$85,590,606	\$44,497,676	\$41,092,930			1,329	\$5,366.86

COMM CARE	Total	Federal	State	COMM CARE Users	Expansion Users	Total Users	Cost Per User
JULY 2015	\$4,680,467	\$2,427,941	\$2,252,526			709	\$6,601.50
AUGUST	\$4,948,934	\$2,568,261	\$2,380,673			720	\$6,873.52
SEPTEMBER	\$3,432,516	\$1,789,155	\$1,643,361			700	\$4,903.59
OCTOBER	\$7,417,709	\$3,864,807	\$3,552,902			744	\$9,970.04
NOVEMBER	\$5,364,965	\$2,804,232	\$2,560,733			746	\$7,191.64
DECEMBER	\$4,859,191	\$2,527,265	\$2,331,926	746	6	752	\$6,461.69
JANUARY 2016	\$4,897,961	\$2,547,430	\$2,350,531	746	12	758	\$6,461.69
FEBRUARY	\$6,416,630	\$3,337,289	\$3,079,341	746	18	764	\$8,398.73
MARCH	\$4,975,501	\$2,587,758	\$2,387,743	746	24	770	\$6,461.69
APRIL	\$5,014,271	\$2,607,922	\$2,406,349	746	30	776	\$6,461.69
MAY	\$6,567,807	\$3,415,916	\$3,151,891	746	36	782	\$8,398.73
JUNE	\$5,091,812	\$2,648,251	\$2,443,561	746	42	788	\$6,461.69
Subtotal	\$63,667,764	\$33,126,227	\$30,541,537			751	\$7,064.78

INDEPENDENCE	Total	Federal	State	INDEPENDENCE Users	Expansion Users	Total Users	Cost Per User
JULY 2015	\$37,023,350	\$19,293,486	\$17,729,864			10,603	\$3,491.78
AUGUST	\$47,160,526	\$24,576,863	\$22,583,663			10,968	\$4,299.83
SEPTEMBER	\$32,611,020	\$16,957,851	\$15,653,169			10,683	\$3,052.61
OCTOBER	\$59,914,259	\$31,345,448	\$28,568,811			11,397	\$5,257.02
NOVEMBER	\$48,925,134	\$25,566,991	\$23,358,143			11,493	\$4,256.95
DECEMBER	\$40,613,125	\$21,122,886	\$19,490,239	11,493	114	11,607	\$3,499.02
JANUARY 2016	\$41,012,013	\$21,330,348	\$19,681,665	11,493	228	11,721	\$3,499.02
FEBRUARY	\$55,588,522	\$28,911,590	\$26,676,932	11,493	342	11,835	\$4,696.96
MARCH	\$41,809,790	\$21,745,272	\$20,064,518	11,493	456	11,949	\$3,499.02
APRIL	\$42,208,678	\$21,952,733	\$20,255,945	11,493	570	12,063	\$3,499.02
MAY	\$57,194,882	\$29,747,058	\$27,447,824	11,493	684	12,177	\$4,696.96
JUNE	\$43,006,455	\$22,367,657	\$20,638,798	11,493	798	12,291	\$3,499.02
Subtotal	\$547,067,754	\$284,918,183	\$262,149,571			11,566	\$3,941.64

Subtotal PROMISE Program Expenditures	\$696,326,124	\$362,542,086	\$333,784,038				
Roll Forward from FY 2014-2015	\$7,243,162	\$0	\$7,243,162				
Money Follows the Person	\$0	\$1,350,000	(\$1,350,000)				
Personal Assistant Services / Respite Care Overtime Rate	\$2,388,368	\$1,242,190	\$1,146,178				
Subtotal	\$705,957,654	\$365,134,276	\$340,823,378				

FY 2014-2015 PRR/Initiatives

Balancing Incentive Program	\$0	\$6,787,690	(\$6,787,690)				
Total Program Requirement	\$705,957,654	\$371,921,966	\$334,035,688				

Act 10-A of 2015		\$350,329,000	\$313,716,000				
Surplus/(Deficit)		(\$21,592,966)	(\$20,319,688)				

**Services to Persons with Disabilities
Fiscal Year 2016-2017 Governor's Executive Budget
Fiscal Year 2016-2017**

OBRA	Total	Federal	State	OBRA Users	Expansion Users	Total Users	Cost Per User
JULY 2016	\$6,407,693	\$3,332,641	\$3,075,052	1,328	0	1,328	\$4,825.07
AUGUST	\$8,863,935	\$4,610,133	\$4,253,802	1,328	0	1,328	\$6,674.65
SEPTEMBER	\$6,407,693	\$3,332,641	\$3,075,052	1,328	0	1,328	\$4,825.07
OCTOBER	\$8,863,935	\$4,589,746	\$4,274,189	1,328	0	1,328	\$6,674.65
NOVEMBER	\$6,407,693	\$3,317,903	\$3,089,790	1,328	0	1,328	\$4,825.07
DECEMBER	\$6,407,693	\$3,317,903	\$3,089,790	1,328	0	1,328	\$4,825.07
JANUARY 2017	\$8,863,935	\$4,589,746	\$4,274,189	1,328	0	1,328	\$6,674.65
FEBRUARY	\$6,407,693	\$3,317,903	\$3,089,790	1,328	0	1,328	\$4,825.07
MARCH	\$6,407,693	\$3,317,903	\$3,089,790	1,328	0	1,328	\$4,825.07
APRIL	\$6,407,693	\$3,317,903	\$3,089,790	1,328	0	1,328	\$4,825.07
MAY	\$8,863,935	\$4,589,746	\$4,274,189	1,328	0	1,328	\$6,674.65
JUNE	\$6,407,693	\$3,317,903	\$3,089,790	1,328	0	1,328	\$4,825.07
Subtotal	\$86,717,284	\$44,952,071	\$41,765,213			1,328	\$5,441.60

COMMCARE	Total	Federal	State	COMMCARE Users	Expansion Users	Total Users	Cost Per User
JULY 2016	\$5,166,494	\$2,687,094	\$2,479,400	788	6	794	\$6,506.92
AUGUST	\$6,819,768	\$3,546,961	\$3,272,807	788	12	800	\$8,524.71
SEPTEMBER	\$5,244,578	\$2,727,705	\$2,516,873	788	18	806	\$6,506.92
OCTOBER	\$6,922,065	\$3,584,245	\$3,337,820	788	24	812	\$8,524.71
NOVEMBER	\$5,322,661	\$2,756,074	\$2,566,587	788	30	818	\$6,506.92
DECEMBER	\$5,361,702	\$2,776,289	\$2,585,413	788	36	824	\$6,506.92
JANUARY 2017	\$7,075,509	\$3,663,699	\$3,411,810	788	42	830	\$8,524.71
FEBRUARY	\$5,439,785	\$2,816,721	\$2,623,064	788	48	836	\$6,506.92
MARCH	\$5,478,827	\$2,836,937	\$2,641,890	788	54	842	\$6,506.92
APRIL	\$5,517,868	\$2,857,152	\$2,660,716	788	60	848	\$6,506.92
MAY	\$7,280,102	\$3,769,637	\$3,510,465	788	66	854	\$8,524.71
JUNE	\$5,595,951	\$2,897,583	\$2,698,368	788	72	860	\$6,506.92
Subtotal	\$71,225,310	\$36,920,097	\$34,305,213			827	\$7,177.08

INDEPENDENCE	Total	Federal	State	INDEPENDENCE Users	Expansion Users	Total Users	Cost Per User
JULY 2016	\$43,839,394	\$22,800,869	\$21,038,525	12,291	114	12,405	\$3,534.01
AUGUST	\$60,124,250	\$31,270,622	\$28,853,628	12,291	228	12,519	\$4,802.64
SEPTEMBER	\$44,645,148	\$23,219,941	\$21,425,207	12,291	342	12,633	\$3,534.01
OCTOBER	\$61,219,252	\$31,699,329	\$29,519,923	12,291	456	12,747	\$4,802.64
NOVEMBER	\$45,450,903	\$23,534,478	\$21,916,425	12,291	570	12,861	\$3,534.01
DECEMBER	\$45,853,780	\$23,743,087	\$22,110,693	12,291	684	12,975	\$3,534.01
JANUARY 2017	\$62,861,755	\$32,549,817	\$30,311,938	12,291	798	13,089	\$4,802.64
FEBRUARY	\$46,659,534	\$24,160,307	\$22,499,227	12,291	912	13,203	\$3,534.01
MARCH	\$47,062,411	\$24,368,916	\$22,693,495	12,291	1,026	13,317	\$3,534.01
APRIL	\$47,465,288	\$24,577,526	\$22,887,762	12,291	1,140	13,431	\$3,534.01
MAY	\$65,051,759	\$33,683,801	\$31,367,958	12,291	1,254	13,545	\$4,802.64
JUNE	\$48,303,267	\$25,011,432	\$23,291,835	12,291	1,368	13,659	\$3,536.37
Subtotal	\$618,536,741	\$320,620,125	\$297,916,616			13,032	\$3,955.24
Subtotal PROMISe Program Expenditures	\$776,479,335	\$402,492,293	\$373,987,042				

Money Follows the Person	\$0	\$1,350,000	(\$1,350,000)				
Personal Assistant Services / Respite Care Overtime Rate	\$4,776,735	\$2,476,140	\$2,300,595				
Subtotal	\$781,256,070	\$406,318,433	\$374,937,637				

<u>FY 2016-2017 PRR/Initiatives</u>							
Community HealthChoices	\$6,717,882	\$3,478,519	\$3,239,363				
Total Program Requirement	\$787,973,952	\$409,796,952	\$378,177,000				

SERVICES TO PERSONS WITH DISABILITIES

PROGRAM STATEMENT

This home and community-based program supports people with a developmental disability who may have limitations in performing daily activities, understanding or using language, learning, mobility, self-direction, or capacity for independent living. In past years, many of these consumers would have been served in a nursing facility, but through this and other Departmental programs are able to reside in the community.

The following home and community-based waiver services are provided in the Services to Persons with Disabilities program:

- The OBRA Waiver is provided to individuals who have a severe developmental physical disability requiring an Intermediate Care Facility/Other Related Conditions level of care and need a high level of habilitation services to avoid institutionalization. Other related conditions include physical, sensory, or neurological disabilities which manifested before age 22 and are likely to continue indefinitely. A Preadmission Screening Resident Review of all nursing facility applicants with other related conditions is completed to determine if those persons who meet the other related conditions diagnoses require nursing facility care and specialized services.
- The COMMCARE Waiver is provided to individuals with a medically determinable diagnosis of traumatic brain injury and requires a nursing facility level of care, but who choose services in community settings.
- The Independence Waiver is provided to individuals who have physical disabilities that have been assessed to require services at the level of nursing facility level of care, but choose services in community settings. Independence Waiver services must be cost effective when compared to the cost of nursing facility services.

FISCAL YEAR 2016-2017 INITIATIVE – COMMUNITY OPPORTUNITIES

Pennsylvania citizens overwhelmingly state that they would prefer to receive long-term services and supports in a home and community-based setting rather than an institutional setting. Toward that end, a significant investment has been made in home and community-based services, greatly expanding the number of people who can be served in their home. This initiative proposes to provide home and community-based services to an additional 1,440 individuals with disabilities in Fiscal Year 2016 – 2017.

FISCAL YEAR 2016-2017 INITIATIVE – COMMUNITY HEALTHCHOICES

The 2016 Fiscal Year budget provides for the implementation of Community HealthChoices (CHC) to improve health outcomes. The Department of Human Services and the Pennsylvania Department of Aging will continue the combined three-year implementation of a managed long-term services and supports program for older Pennsylvanians and adults with physical disabilities - CHC. This program will ensure that one entity is responsible for coordinating the physical health and long-term services and support needs of participants to improve care coordination and health outcomes while allowing more individuals to live in their community. Community HealthChoices will be implemented in three phases. Phase one will be implemented January 2017, in the Southwest region. Phase two will be implemented January 2018 in the Southeast region. The final phase three will be implemented January 2019 in the Northwest, Lehigh-Capital, and Northeast regions.

Benefits of implementing the CHC program include the following:

- **Enhanced opportunities for community-based living.** Managed long-term services and supports will improve person-centered service planning and, as more community-based living options become available, the ability to honor participant preferences to live and work in the community will expand. Performance incentives built into the program's quality oversight and payment policies will stimulate a wider and deeper array of home and community-based services options.
- **Strengthened coordination of long-term services and supports and other types of health care, including all Medicare and Medicaid services for dual eligible individuals.** Better coordination of Medicare and Medicaid health services and long-term services and supports will make the system easier to use and will result in better quality of life, health, safety, and well-being.
- **Enhanced quality and accountability.** CHC – Managed care organizations will be accountable for outcomes for the target population and responsible for the overall health and long-term support for the whole person. Quality of life and care will be measured and published, giving participants the information they need to make informed decisions.
- **Advance program innovation.** Greater creativity and innovation afforded in the program will help to increase community housing options, enhance the long-term services and supports direct care workforce, expand the use of technology and expand employment among participants who have employment goals.
- **Increase efficiency and effectiveness.** The program will increase the efficiency of health care and long-term services and supports by reducing preventable admissions to hospitals, emergency departments, nursing facilities and other high-cost services and by increasing the use of health promotion, primary care and home and community-based services.

When fully implemented, the CHC will serve an estimated 450,000 individuals, including 130,000 older persons and adults with physical disabilities who are currently receiving long-term services and supports in the community and in nursing facilities. CHC - managed care organizations will be accountable for most Medicaid-covered services, including preventive services, primary and acute care, long-term services and supports (home and community-based services and nursing facilities), prescription drugs, and dental services. Participants who have Medicaid and Medicare coverage (dual eligible participants) will have the option to have their Medicaid and Medicare services coordinated by the same Managed Care Organization.

This initiative builds on the Commonwealth's past success in implementing the country's most extensive network of Programs of All-inclusive Care for the Elderly (called LIFE, Living Independence for the Elderly, in Pennsylvania), which will continue to be an option for eligible persons, and its Home and Community-Based Services waiver programs,. It also builds on the Commonwealth's experience with HealthChoices, a statewide managed care delivery system for children and adults. Behavioral health services will continue to be provided through the Behavioral Health Services HealthChoices (Behavioral Health - Managed Care Organizations). CHC - Managed Care Organizations and Behavioral Health - Managed Care Organizations will be required to coordinate services for individuals who participate in both programs.