

# Alabama receives funds for Money Follows the Person project

☆☆☆☆☆Total votes: 0

**Date:**

Thursday, October 25, 2012 - 12:27

**By:** [Contributed](#)

Elderly and disabled Alabamians will soon have more help to live independently in their homes and communities instead of in institutional long-term care facilities, thanks to new grant funding from the Centers for Medicare and Medicaid Services (CMS). Alabama was one of three states notified by CMS on October 2 that their request for a *Money Follows the Person* Rebalancing (MFP) Grant Demonstration project had been approved. Montana and South Dakota also received MFP grants, joining 43 other states and the District of Columbia with MFP initiatives.

The *Money Follows the Person* program is designed to help states “rebalance” their long-term care systems by increasing the use of home and community-based services and decreasing the use of institutional care. Instead of institutional care, states will use MFP funds to expand services and supports in the community to make it possible for more individuals to live in the community, according to Ginger Wettingfeld, deputy director of Medicaid’s Long Term Care Division and manager for the grant project.

“There is significant interest in increasing the number of options offered to Medicaid recipients who would like to live in the community and be more independent,” Wettingfeld said. “This initiative not only will provide Alabama with the means to continue in a direction that offers greater choice to our recipients, it also will help us maximize Medicaid’s limited funds.”

For example, she explained that the average cost of Home and Community-Based Services for this group of individuals will be approximately \$34,800 during the first year. However, expenditures for MFP enrollees have been found to decrease significantly in ensuing years.

“Even when acute care costs are factored in, the total savings over nursing facility cost of care for 625 transitioned individuals is projected to be over \$11 million,” Wettingfeld said. Alabama will receive \$3.4 million in the first year and up to \$28 million over the four year project in the form of an enhanced matching rate to support the successful transition of 625 individuals from an institutional setting to community living, according to Wettingfeld. The project will not require new costs to the state, but rather a shifting of some current expenditures from institutional based programs to community based programs.

The majority of the expenditures will go to provide Home and Community-Based Services for Medicaid-eligible individuals who are elderly or have disabilities and who choose to transition from nursing facilities or a state-operated psychiatric hospital (only applies to recipients under 21 or over 65 for this type of facility). Most are expected to transition to one of Medicaid’s seven HCBS waiver programs or to a PACE program. Grant funds will cover the upfront costs associated with transitioning each individual as well as administrative costs of operating the program and will be paid during the first year of each person’s transition.

In addition to supporting nursing home residents who wish to transition to the community, the Alabama Department of Mental Health is planning to work with the Agency to develop and operate a second Alabama Community Transition (ACT) waiver. This waiver would enable Medicaid recipients who have a developmental disability or a mental illness-related diagnosis to have the opportunity to move to the community as well.

**For more information, visit <http://medicaid.alabama.gov>**

*Information provided by Medicaid*

Health

**All tags:**

[Alabama Medicaid Money Follows the Person project](#)

[Login](#) or [register](#) to tag items

Tags [Alabama](#) [Health](#) [Medicaid](#) [Money Follows the Person project](#)

---

**Source URL:** <http://cullmansense.com/health/alabama-receives-funds-money-follows-person-project>