

Testimony House Appropriations
Department of Disabilities, Aging and Independent Living
Susan Wehry, Commissioner
January 9, 2014

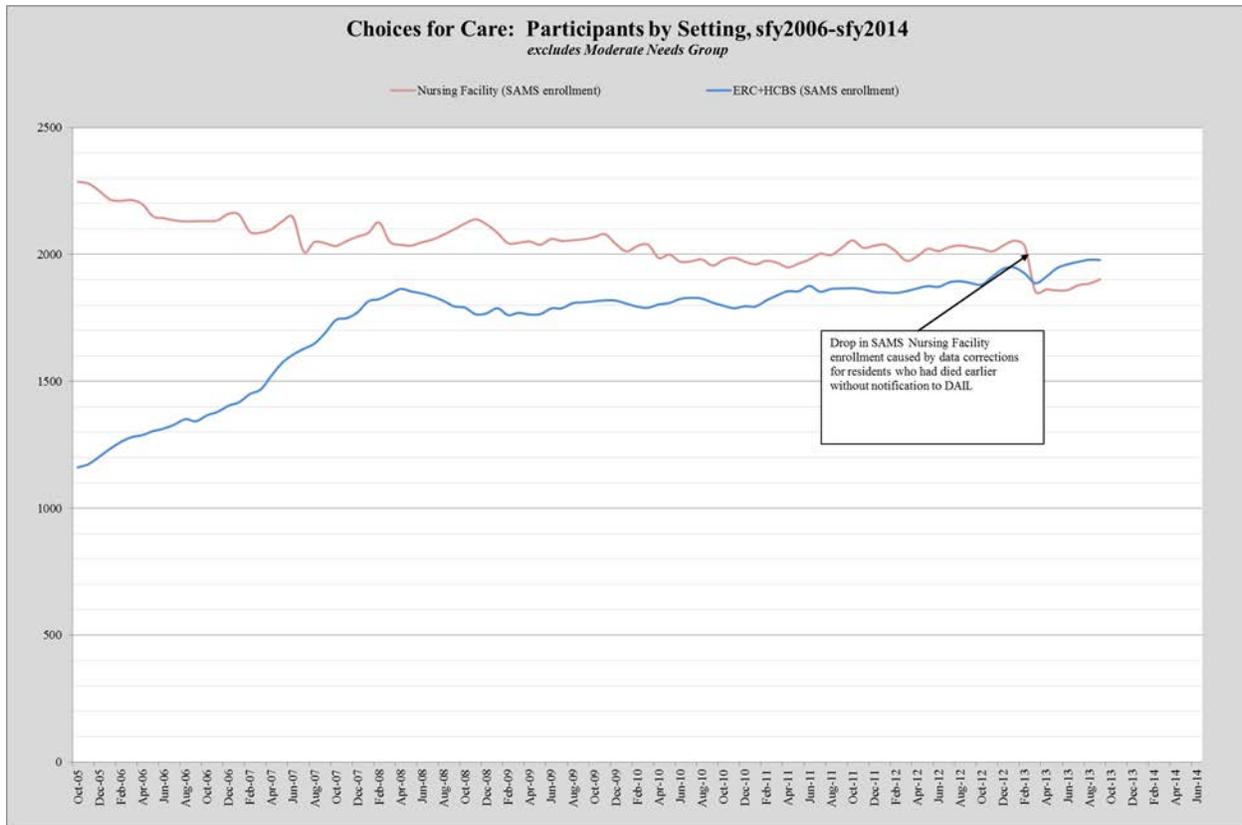
Follow-up from previous BAA testimony

- I. Eligibility criteria for Choices for Care, Moderate Needs Group
 - A. General Eligibility
The person must:
 - Be a Vermont resident aged 18 or older who meets both clinical and financial eligibility criteria;
 - Have a functional limitation associated with aging or resulting from a physical condition
 - II. Clinical Eligibility Criteria (Case managers complete screening)
 - Require supervision or any physical assistance three (3) or more times in seven (7) days with any single ADL or IADL, or any combination of ADLs and IADLs.
 - Have impaired judgment or decision-making skills that require daily general supervision
 - Require at least monthly monitoring for a chronic health condition.
 - Health condition shall worsen if services are not provided or if services are discontinued.
 - III. Financial Eligibility
 - Income
 - Countable Income is all sources of income, including Social Security, SSI, retirement, pension, interest, VA benefits, wages, salaries, earnings and rental income, whether earned, unearned.
 - Income Eligibility Standard: The income standard for the Moderate Needs group is met if the adjusted monthly income of the individual (and spouse, if any) is less than 300% of the supplemental security income (SSI) payment standard for one person (or couple) in the community after deducting recurring monthly medical expenses
 - Resources
 - Countable Resources: Countable resources includes cash, savings, checking, certificates of deposit, money markets, stocks, bonds, trusts or other liquid assets, excluding primary residence or one car, that an individual (or couple) owns and could easily convert to cash to be used for his or her support and maintenance, even if the conversion results in the resource having a discounted value.
 - A \$10,000 disregard is applied as an adjustment to resource limits.

Source: <http://www.ddas.vermont.gov/ddas-policies/policies-cfc/policies-cfc-moderate/policies-cfc-moderate-documents/sec-ii-eligibility>

II. Why the precipitous drop in nursing home utilization?

Largely a data artifact; data entered in a bolus.



III. Developmental Disabilities Home and Community-Based Services Funding Reduction Summary

A. Background

- The 2013 Budget Bill passed by the Legislature included a \$2.5 million savings target in Developmental Disabilities Services and directed DAIL to convene a summer work group to come up with ways to manage the service needs within the appropriation for FY14 [Act 50 §E.333(b)(3)].
- The summer group, made up of consumers, advocates, family members, DAIL staff and providers did not come up with any new ways to achieve the savings target in FY2014.
- The budgetary management tool available in the System of Care plan is a reduction in funding of current allocations (rescission). The rescission resulted in a \$2,230,000 budget reduction that was spread across all providers' existing DDS home and community-based caseload allocation.

B. Budget Reduction Instructions

- DAIL advised agencies of their specific reduction in October, 2013. These reductions became effective January 1, 2014. A copy of the instructions sent to the agencies is available on the DAIL website.
- Agencies were required to look for administrative efficiencies where possible and to consider changes to models of services before reducing hours of service for individuals.
 - Individuals, families and guardians must be involved in choosing the reductions.
 - New needs assessments are completed and individual budgets adjusted, as appropriate.
 - Reduce infrastructure and look for administrative efficiencies, where possible.
 - Reducing expenses does not have to mean cutting services

C. Summary of Impact of Reduction

- As of Dec. 30, DAIL had approved all plans. Statewide, 524 individuals were affected by the cuts representing 19% of consumers receiving DD Home and Community based Services (2757)
- Reductions included
 - Home supports (shared living, supervised living, staffed living) (31%)
 - Community Supports (18%)
 - Employment Services (10%)
 - Agency and Program Administration (8%)
- Twenty-five full-time equivalent (FTE) positions were no longer needed as the result of the changes. Agencies did not report whether staff were laid off or whether vacancies simply would not be filled.
- Some reductions had no direct impact on services. Examples are:
 - Utilization reviews and updated needs assessments identified services that had not been used or were under used and could be eliminated from individual budgets without impact.
 - Reduced transportation costs due to reduction in community support hours and move to contracted model.
 - Changed home supports ratio from 2 staff:1 person to 1 staff:1 person.
 - Changed community supports ratio from 1 staff:1 person to 1 staff:2 people and from 2 staff:1 person to 1 staff:1 person.
- Some reductions did have a direct impact on services (roughly 305 individuals) including service coordination, community supports, employment services, supervised living, clinical services, crisis services and transportation, respite for both families and home providers.

A copy of the complete report will be available on our website.

Revisions to Choices for Care Reinvestment Proposal

- AD re-analyzed their wait list and utilization, and determined that 17 hours/week is sufficient to bring people off the wait list and serve them sufficiently (max allowed is 50 hours).
- The Area Agencies on Aging also requested we invest a total of \$179,000 (rather than \$120K) at the outset.
- We are adjusting our spending proposal by moving \$370,522 into SFY14. The total re-investment spending plan on for the moderate needs group remains unchanged at \$3M.

DAIL MNG Reinvestment Revision					
January 2014					
		Eliminate Point in Time Waitlist			
GOALS UNCHANGED		Implement MNG Flexible Service Pilot			
<i>December 2013 Testimony</i>	SFY14 / HALF YEAR	SFY15/ FULL YEAR	Total		
estimated 413 wait list (129 Medicaid)	\$ 926,250	\$ 2,073,750	\$ 3,000,000		
SFY14 assumptions/estimated:	wait list	allocation	half year/ per person		
Adult Day	26	\$ 50,700	\$1,950		
Home Health	387	\$ 754,650	\$1,950		
AAA flex service pilot		\$ 120,900			
Total	413	\$ 926,250	n/a		
<i>January 9, 2014 Testimony</i>	SFY14 / HALF YEAR	SFY15/ FULL YEAR	Total	SHIFT '15 to '14	
	\$ 1,296,772	\$ 1,703,228	\$ 3,000,000	\$ 370,522	
	wait list	allocation	half year/ per person	fyi full year per person	
SFY14 Revised Estimates					
ADULT DAY: Increase					
Adult Day - wait list	46	\$ 313,122	\$6,807	\$13,614	
Adult Day - Flex Pilot, phase 1	n/a	\$ 50,000	n/a	n/a	
Subtotal		\$ 363,122			
HOME HEALTH: No change					
Home Health HMMK - wait list (same)					
HMMK - Flex Pilot, phase 1	387	\$ 754,650	\$1,950	\$3,900	
		\$ -	\$0	\$0	
		\$ 754,650			
AAA FLEX: Increase	flex	\$ 179,000			
Total SFY14	433	\$ 1,296,772	n/a	n/a	
Total SFY15 **		\$ 1,703,228			
** If Providers are unable to utilize all of these investment dollars in SFY14, we roll them into the total available in FY15 for this MNG investment					