STATE OF VERMONT
FISCAL YEAR 2014 BUDGET ADJUSTMENT REQUEST
DEPARTMENT OF DISABILITIES, AGING AND INDEPENDENT LIVING

Department Mission Statement

The Department's mission is to make Vermont the best state in the nation in which to grow old or live with a disability, with dignity, respect and independence.

Description of Appropriations, Divisions, & Programs

The Department has five major divisions that contribute to achieving the mission.

* **The Division for the Blind and Visually Impaired (DBVI)** assists Vermonters who are blind or have a visual impairment to enter or return to work, much the same as VR. It also provides some funds for independent living services, to help blind or visually impaired individuals to live and contribute in their communities. The major programs in DBVI include: the core rehabilitation work, known as Section 110 services and the Older Blind Program.

* **Adult Services Division** - These activities center around developing, overseeing and enabling access to a system of services which assist older persons and persons with disabilities to live as independently as is possible. Includes overseeing a variety of services, such as nutrition, attendant care, homemaker, adult day, respite, transportation, benefits counseling, advocacy, service coordination, information and referral, and legal assistance. The major programs in this division include: the long term care Section 1115 Choices for Care Waiver (managed by DAIL, but the funds are in DVHA), Adult Days Services, Attendant Services Program.

***Developmental Disabilities Services Division** – Oversees the services that help children and adults with developmental disabilities to live as independently as possible within their family, home and community, acting as the appointed (public) guardian for some persons age 60 and over. The major programs in this division include: the Developmental Services Waiver, Flexible Family Funding, the Office of Public Guardian, Traumatic Brain Injury Waiver.

* **The Division of Licensing and Protection (DLP)** performs a critical role in ensuring the quality of many health care services and protecting vulnerable adults from abuse, neglect and exploitation. Major programs in DLP include: Survey and Certification which involves inspections and surveys of all Medicare and Medicaid facilities and organizations including nursing homes and home health agencies; State licensure of residential care homes; and Adult Protective Services, which investigates allegations of abuse, neglect and exploitation against vulnerable adults.

* **The Division of Vocational Rehabilitation (VR)** assists Vermonters with a disability to enter or re-enter the work force through a wide variety of programs and individual support services. The core program (VR Section 110) enables Vermonters with a disability to assess their skills and abilities, identify a vocational goal, develop an Individualized Plan for Employment and receive services leading to meaningful employment. VR invests heavily in serving people with the most significant disabilities through supported employment programs and has developed a network of specialized Transition Counselors to support young adults from school to work. The Division operates the VR Reach Up program to serve TANF recipients with disabilities, a state wide Benefits Counseling Program to support Social Security beneficiaries to work, and the Assistive Technology (AT) Project that provides Vermonters with information and training on AT devices and services.

DAIL OVERVIEW FOR BAA-	
Total Net Increase for BAA (all gross $'s)	**$ 5,382,053**
This includes:	
1) AHS GF Budget Neutral items (gross $'s)	$ 1,350,488
2) Rent Increase transition from BGS to AHS	$ 177,654
3) SFI funding reduction to base	$ (658,091)
4) Choices for Care (Long Term Care) adj's	$ 4,512,002

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DAIL Administration		
• Personal Services:		
1) Transfer of position from DCF (net-neutral)	$	84,790
• Operating		
2) Rent Expense – transition from BGS to AHS eff. 1/1/2014	$	177,654
3) Transfer of operating funds for (net-neutral) transfer of position from DCF	$	2,000
Total adjustments in this section	**$**	**264,444**
DAIL Grants (Division of Disabilities and Aging Services		
1. Choices for Care Reinvestment funds being moved to Appropriation where funds will be spent (AHS- net neutral)	$	260,505
Total adjustments in this section	**$**	**260,505**
DBVI Grants (Division for the Blind and Visually Impaired) – No adjustments requested.		
Vocational Rehabilitation Grants (Division of Vocational Rehabilitation) – No adjustments requested.		
Developmental Services (DS)		
1) CPCS – non-categorical (12 mo) approp correction from DMH (net-neutral)	$	2,045,363
2) SFI/CCC (severely functionally impaired & complex Community case reduction	$	(658,091)
3) DS Bridge Funding for HCHS bundle to DMH (AHS net-neutral)	$	(144,182)
4) Integrated Family Service (IFS) AHS budget neutral Transfers to other Departments	$	(334,389)
Total adjustments in this section	**$**	**908,701**
Traumatic Brain Injury (TBI) Home and Community Based Waiver –		
1) PCAV's Abusive Head Trauma Prevention initiative To DCF (AHS net-neutral)	**$**	**(31,000)**
Total adjustments in this section	**$**	**(31,000)**

Choices for Care 1115 Waiver – LTC

1) CFC Reinvestment (AHS Budget Neutral) movement of funds to appropriation where Nutrition and SASH reinvestments will be expended.	$ (532,599)
2) Federal Receipts Needed related to G.F. Carry forward from SFY13	$ 4,364,841
3) Technical Adj. to CFC Due to Conf. Committee Chgs. and rate increases	$ 1,128,640
4) One-Time Veterans' Home Settlement	$ (981,479)
Total adjustments in this section	**$ 3,979,403**

CHOICES FOR CARE REINVESTMENT SUMMARY: SFY12 AND SFY13 (11.26.13)

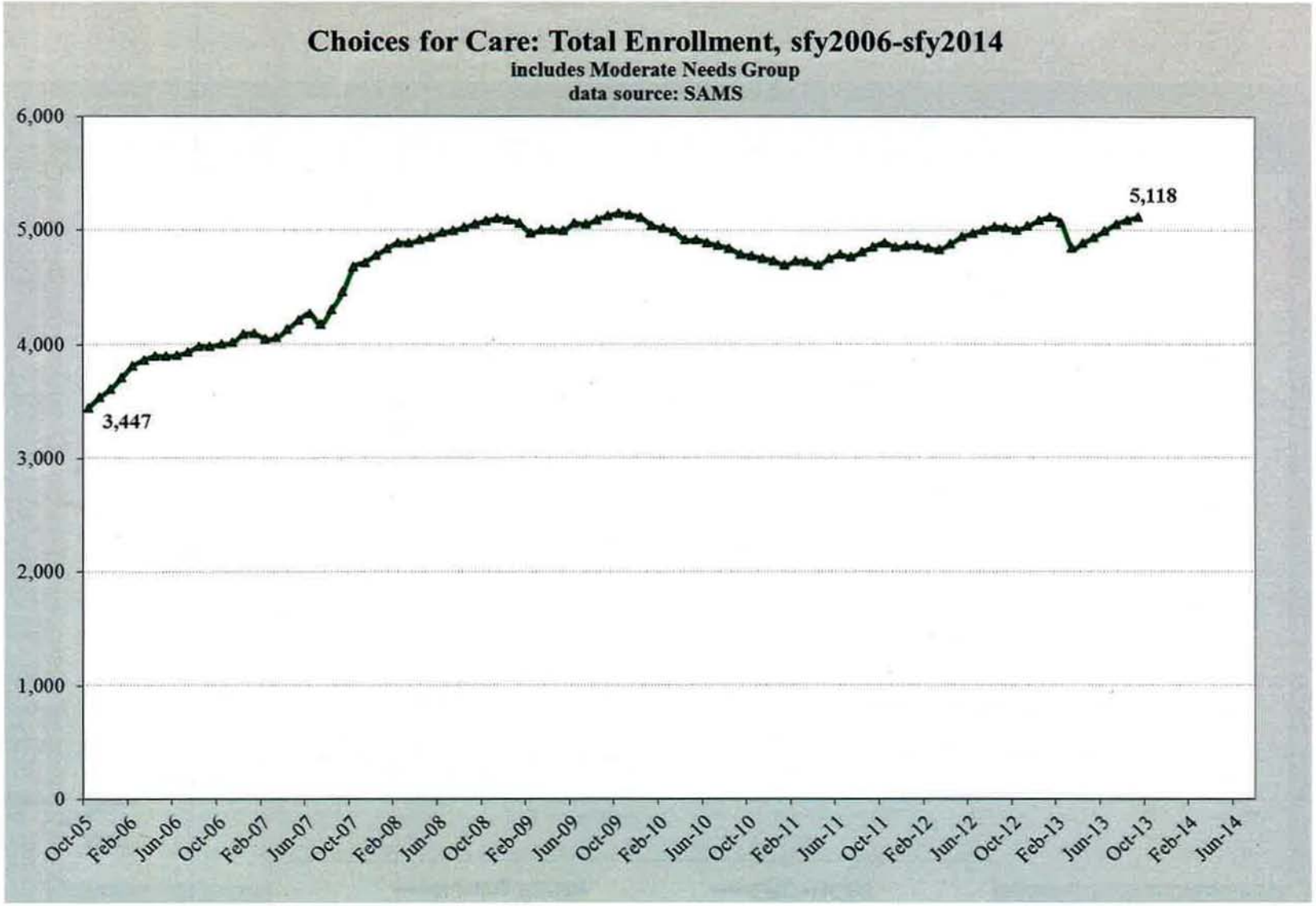
Department of Disabilities, Aging and Independent Living

SFY2014 Choices for Care Reinvestments (using SFY2013 Carryforward funds)
$6,005,391 available for reinvestment; all reinvestments must be approved by legislature

Initiative	Gross	General Fund Only	Builds Base? (versus one-time)
approved by legislature (JFC) 9.11.2013 SFY14 increase funding for AAA nutrition (home delivered and cong meals): current figures $170k offset sequestration, $40k targeted initiatives	*$210,000*	$210,000	$170,000 yes
SFY14 HASS/SASH	*$50,505*	$22,000	yes
SFY14 - addresses the Moderate Needs Waitlist of an estimated 413 individuals (129 of whom are medicaid). Allocated as follows $50,700 to Adult Day providers (26 individuals) and $754,650 (387 individuals) to Home Health Agencies and $120,900 to AAA's for Moderate Needs Flex expansion	$926,250	$403,475	yes
SFY15 - AAA Home delivered and cong meals to offset sequestration (investment is GF only $170K Gross use is $390,714 so federal share lost is $220,714)	$170,000	$170,000	yes
SFY15 - Continuation of addressing the Moderate Needs Group $2,073,750 annualized for SFY15	$2,073,750	$902,289	yes
SFY15 - Continuing SASH/HASS reinvestment	$50,505	$21,975	yes
SFY14 High Needs and Moderate Wait list risk mitigation	$2,034,458	$886,210	yes
$ Committed	**$5,515,468**	**$2,615,948**	
Federal share not earned due to GF only investments	**$489,923**		
$ Available	**$6,005,391**	**$2,615,948**	
Balance available	**$0**	**$0**	

this is the GF available

sfy2014 state Medicaid match rate


Choices for Care: Total Enrollment, sfy2006-sfy2014
includes Moderate Needs Group
data source: SAMS
6,000
5,000
4,000
3,000
2,000
1,000
0
3,447
5,118
Oct-05
Feb-06
Jun-06
Oct-06
Feb-07
Jun-07
Oct-07
Feb-08
Jun-08
Oct-08
Feb-09
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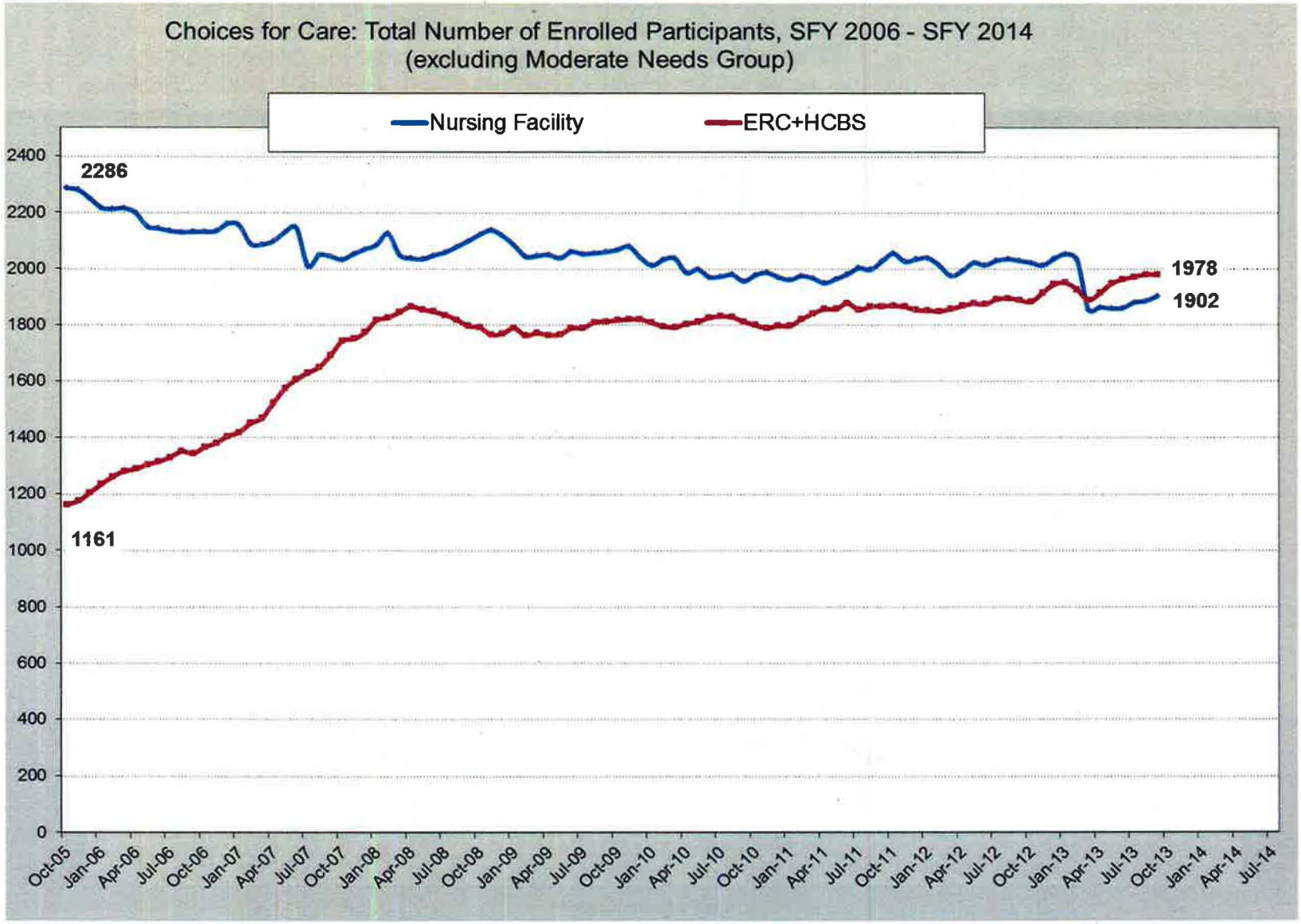
Jun-14


Choices for Care: Total Number of Enrolled Participants, SFY 2006 - SFY 2014
(excluding Moderate Needs Group)
Nursing Facility
ERC+HCBS
2286
1161
1978
1902
2400
2200
2000
1800
1600
1400
1200
1000
800
600
400
200
0
Oct-05
Jan-06
Apr-06
Jul-06
Oct-06
Jan-07
Apr-07
Jul-07
Oct-07
Jan-08
Apr-08
Jul-08
Oct-08
Jan-09
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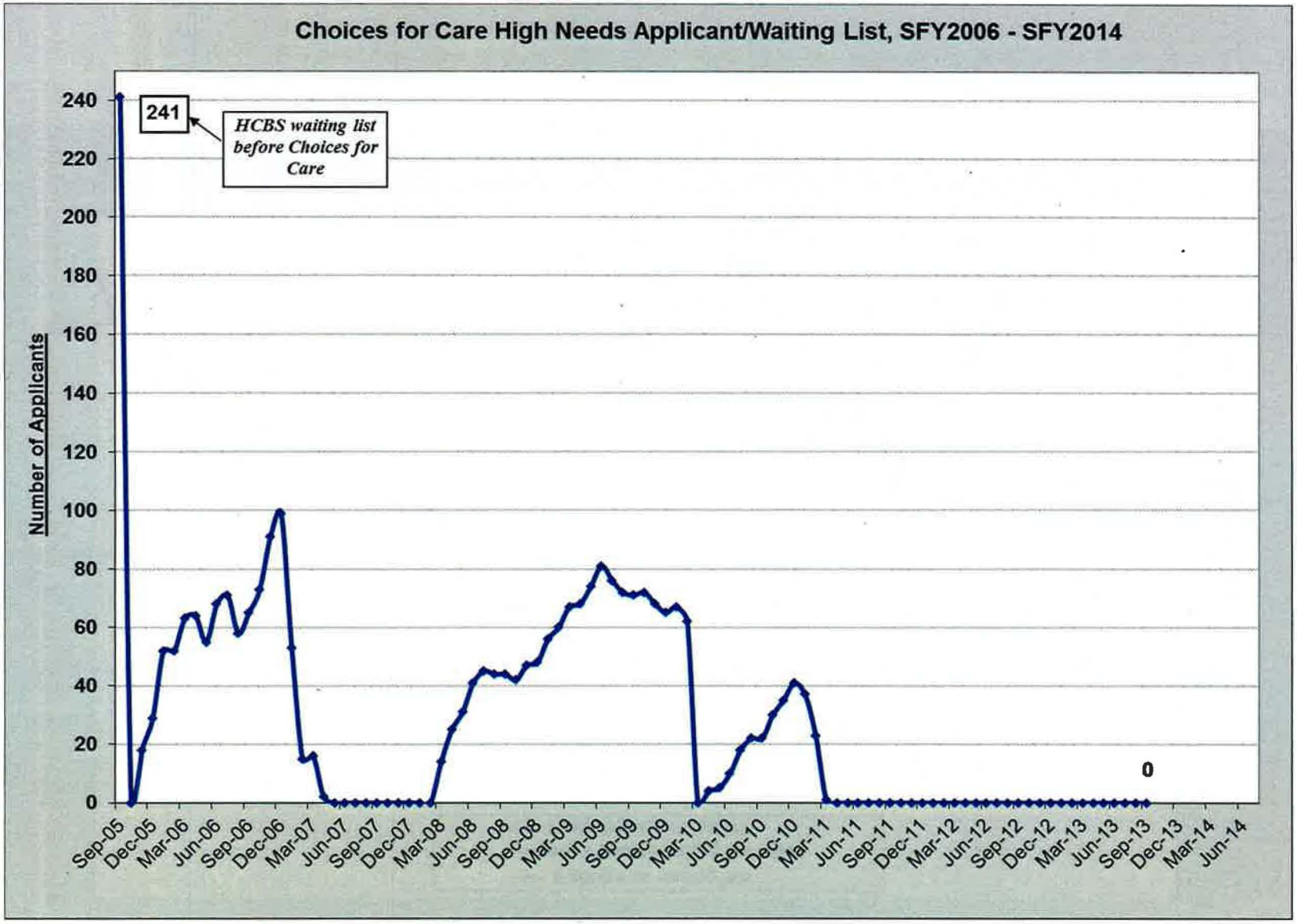
Choices for Care High Needs Applicant/Waiting List, SFY2006 - SFY2014
Number of Applicants
241
HCBS waiting list before Choices for Care
0
240
220
200
180
160
140
120
100
80
60
40
20
0
Sep-05
Dec-05
Mar-06
Jun-06
Sep-06
Dec-06
Mar-07
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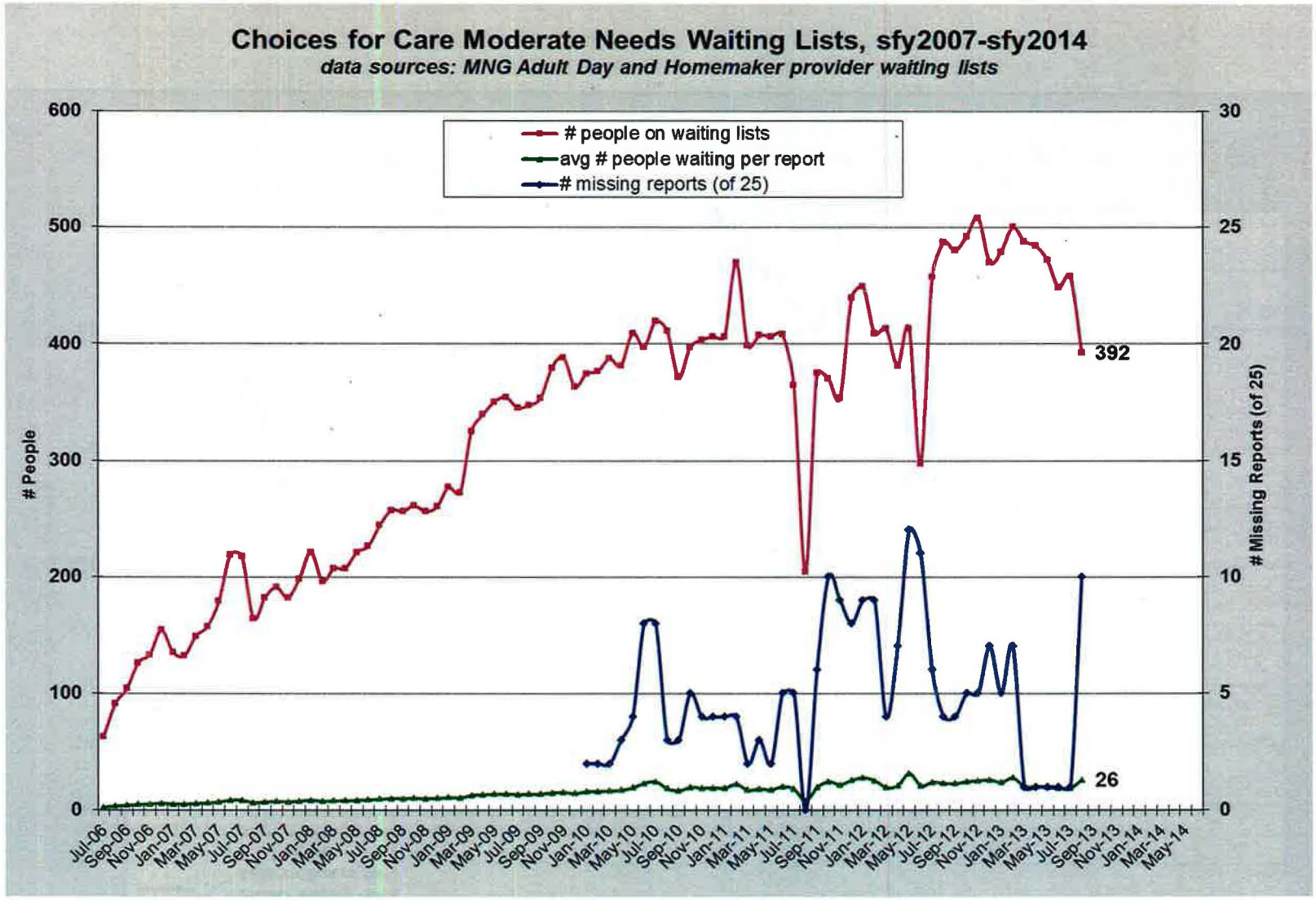
Jun-14


Choices for Care Moderate Needs Waiting Lists, sfy2007-sfy2014
data sources: MNG Adult Day and Homemaker provider waiting lists
people on waiting lists
avg # people waiting per report
missing reports (of 25)
People
Missing Reports (of 25)
392
26
600
500
400
300
200
100
0
30
25
20
15
10
5
0
Jul-06
Sep-06
Nov-06
Jan-07
Mar-07
May-07
Jul-07
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Mar-14
May-14

Testimony Senate Appropriations
Department of Disabilities, Aging and Independent Living
Susan Wehry, Commissioner
January 17, 2014

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			
December 2013 Testimony	SFY14 / HALF YEAR	SFY15/ FULL YEAR	**Total**	
estimated 413 wait list (129 Medicaid)	$ 926,250	$ 2,073,750	**$3,000,000**	
			half year/	
SFY14 assumptions/estimated:	wait list	allocation	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	
January 9, 2014 Testimony	SFY14 / HALF YEAR	SFY15/ FULL YEAR	**Total**	SHIFT '15 to '14
	$ 1,296,772	**$ 1,703,228**	**$3,000,000**	$ 370,522
			half year/	fyi full year
	wait list	allocation	per person	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**		

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Appendix A

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

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Department of Disabilities, Aging and Independent Living
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Appendix B

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 is available on our website.