
**Report to
The Vermont Legislature**

**Act 167 (2022)
Extending Home and Community Based Services
Working Group Report**

In Accordance with Act 167 Sec. 8 (2022)

Submitted to: The House Committee on Human Services
The House Committee on Health Care
The House Committee on Appropriations
The Senate Committee on Health & Welfare
The Senate Committee on Appropriations

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Introduction

[Act 167 of 2022](#) (S.285), Section 8, Options for Extending Moderate Needs Supports, required that “As part of developing the Vermont Action Plan for Aging Well as required by 2020 Acts and Resolves No. 156, Sec. 3, the Department of Disabilities, Aging and Independent Living (DAIL) shall convene a working group comprising representatives of older Vermonters, home- and community-based service providers, the Office of the Long-Term Care Ombudsman, the Agency of Human Services, and other interested stakeholders to consider extending access to long-term home-and community-based services and supports to a broader cohort of Vermonters who would benefit from them, and their family and prepare a report of recommendations for the legislature by January 15, 2024.” DAIL contracted with Health System Transformation (HST) to coordinate the working group and the development of the report. The following is the summary of the report’s recommendations, but the complete report can be found at: [Act 167 Extending HCBS Working Group Report - 2023.pdf \(vermont.gov\)](#).

Problem Statement

Many Vermonters do not meet the financial or clinical eligibility for long-term care Medicaid, known as Choices for Care, either at the High/Highest level or the Moderate Needs Group (MNG) level. However, many still struggle to maintain health and wellness with limited resources. To support their health and independence and prevent physical or cognitive decline and the need for long-term care services, this cohort of Vermonters could benefit from some type of supportive services. The working group sought to explore this problem and consider options and strategies to offer services to more Vermonters in need.

Who is Impacted?

The [Choices for Care](#) (CFC) program today predominantly serves individuals who are eligible for nursing home level of care, meaning they require extensive assistance with activities of daily living (ADLs). The program also serves some individuals who do not qualify for nursing home level of care but benefit from a package of services to prevent or delay the need for a higher level of care. This second group is called the Moderate Needs Group (MNG). Vermonters served through MNG are not guaranteed services today. The table below shows the number of individuals by Choices for Care program population and potential population (at risk) that would be impacted by the recommendations included in this report, including average costs per participant per year (PPPY) and total program costs for all participants (Total).

Table 1: Impacts on people and funding.

# people	Choices for Care (CFC)	\$ PPPY	\$ Total	Description
5,715	High Highest*	\$76,870	\$439M	Individuals found to meet the financial and clinical eligibility criteria for nursing home level of care. They require extensive daily supports. They can be served today in nursing homes, other facilities, at home and in their community.
1,095	Moderate (MNG)*	\$6,144	\$6.7M	Individuals in this group do not meet nursing home level of care criteria to receive services today. The services offered are limited. Services available to this group include homemaker, adult day, case

				management, and flexible funds. Funding is limited for this group.
500-700 [†]	Moderate (MNG) Waitlist ^{**}	TBD [†]	TBD [†]	Individuals in this group applied for the MNG program.
TBD ^{††}	At Risk ^{***}	TBD ^{††}	TBD ^{††}	These are individuals who meet specific criteria (to be developed) that place them at risk of needing supports for activities of daily living (ADLs) or instrumental activities of daily living (IADLs) and are financially ineligible for Medicaid.

*Current CFC program participants

**Current MNG waitlist (not receiving MNG services)

***Future program participants

[†] Estimate of number of individuals on the wait list from the final report of the Task Force on Affordable, Accessible Health Care, page 20. Cost pppy and total is not known today as program design decisions will drive costs.

^{††} Caseload, cost pppy, and total is not known today as future program design decisions will drive these, today there are no program enrollees nor expenditures for this group.

Methodology

While Section 8 of Act 167 identified the primary topics to discuss, HST and DAIL collaborated to identify framing questions for each topic area as well as presentation of state and national evidence-based promising programs and practices and state strategies and policies of interest for that specific topic area. HST facilitated eight monthly meetings from January to August 2023 in a mostly hybrid format. While the meetings were not intended to be a consensus-based process, they were facilitated in a way that was meant to ensure all voices and perspectives were heard and included in the development of themes and recommendations.

Table 1. Meeting Topics and Summarized Discussions Organized by Themes

Theme 1: Services Needed
The workgroup identified numerous factors that impact access to and availability of services: social determinants of health (SDOH), geographic variation in services offered, the direct service workforce shortage, Vermont’s culture of fierce independence, overarching cultural barriers, affordability, eligibility criteria, rural and urban differences; and the overall complexity of the HCBS service system, which is compounded by a lack of awareness and education about available options.
Theme 2: Clinical and Financial Eligibility Considerations
Workgroup discussions about financial and clinical eligibility were primarily in the context of the MNG program. Clinical eligibility was generally viewed as already being quite broad. Many workgroup members expressed concerns that the financial criteria for inclusion in MNG is too restrictive. A buy-in option or cost sharing structure for MNG was suggested, as it could help include more people who would otherwise not be financially eligible
Theme 3: Funding Opportunities and Considerations
The workgroup identified both funding and operational challenges with the way that MNG funding is currently managed. Funding challenges are exacerbated by the fact that the MNG program is not an entitlement and therefore is always at risk of being cut. Concerns raised included: How to creatively meet participant needs given the workforce shortage; how to be sure that funds are equitably distributed around the state where they are needed; how to access case management as a stand-alone service if other services are not available; how to increase pay for caregivers; and how to make MNG funding more stable and less subject to discretionary budget adjustments.

Theme 4: Supporting Family Caregivers

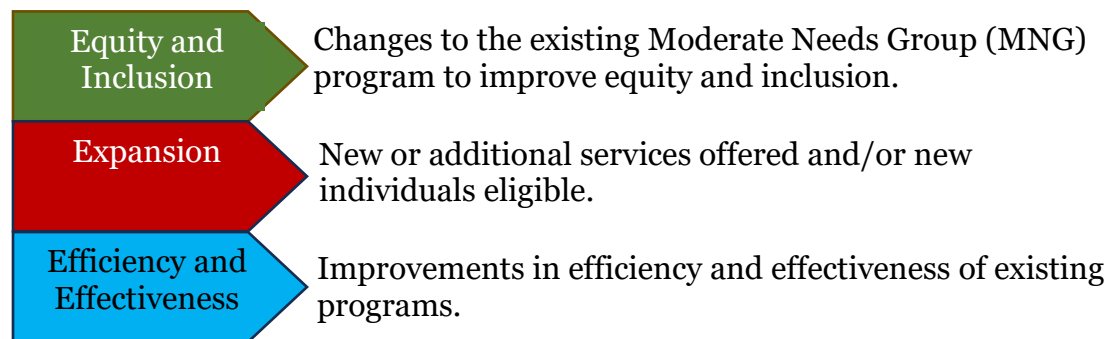
The workgroup collectively agreed that family caregivers are overwhelmed, don't have the time, often don't know how to ask for help, don't know what resources are available to help them, and need help navigating the complex system of services to even know what is possible. To address these challenges, the workgroup focused on several promising practices and ideas including suggesting the role of a care or service navigator that could help caregivers as well as the person needing assistance.

Theme 5: Populations

While Vermont is one of the most homogenous states in the nation, Vermonters with limited English proficiency were identified as having access challenges greater than most Vermonters along with people with multiple chronic conditions and disabilities, especially those with a combination of mental and physical health challenges. Reaching out for help or receipt of services is often stigmatized, reinforcing the fierce Vermont "independence mindset". People who are dually eligible for both Medicare and Medicaid are also a population that traditionally has the most complex care needs across physical health, behavioral health, and long-term services and supports (LTSS). It was noted that the one program that did serve the dual eligible population was the Program of All-Inclusive Care for the Elderly (PACE), Vermont, Inc., which closed in 2013. Several workgroup members advocated for revisiting PACE, while acknowledging that if taken up again it would require much further exploration, analysis, and input from diverse stakeholders.

Recommendations

The recommendations in this report fall into three categories:



The following high-level overview provides an outline of the recommendations. The full report contains detailed information on each recommendation including workgroup perspectives, consideration of state and national promising practices, and impacts and considerations on people and programs.

Recommendation #1: Prioritize flexible funding.

1. Maximize the flexibility of the limited MNG funds. Flexible funding options support personal choice and preferences, offering participants flexibility in choosing services and supports that address their unique needs. Flexible funding can also help fill gaps considering the direct service workforce shortage.

Recommendation #2: MNG operational changes.

1. Establish standard criteria to prioritize individuals on the waitlist for MNG services.
2. Streamline the process for reallocating unspent funds both within regions and statewide.

Recommendation #3: Make case management available as a standalone service.

1. Allow MNG recipients to receive case management services without receiving other services.
2. Create a case management-like service for consumers with lower levels of need.

Recommendation #4: Extend MNG to people with higher incomes.

1. Add training and supports for family caregivers based solely on ADL/IADL/SDOH criteria.
2. Allow buy-in / cost sharing options for Vermonters not income eligible for MNG.
3. Modify MNG financial eligibility to accommodate higher incomes.
4. Provide clearer guidance on existing financial eligibility criteria.

Recommendation #5: Establish a new Medicaid eligibility category.

1. Add a new category for individuals at risk of becoming eligible for MNG.
2. Consider a pilot project to measure the impact of change.

Recommendation #6: Strengthen outreach, awareness, education, and referral.

1. Review and update all public-facing materials containing MNG information.
2. Promote opportunities for shared learning and education on available HCBS services inclusive of key community access points for consumers (e.g., AAAs, VCIL, 211, town clerks and nurses, emergency responders, places of worship, etc.).

Recommendation #7: Clarify Dementia Respite Grant eligibility requirements.

1. Clarify eligibility requirements including all public information to assure program equity across Vermont.
2. Provide opportunity for greater access by modifying requirements for screening for eligibility.

Recommendation Development and Considerations

The recommendations above were developed primarily, but not exclusively, from the workgroup discussions. Additional details, including current related policies, recommended policy changes, and policy and fiscal implications are included in the full report. Overarching considerations that apply to the recommendations include:



This work was happening concurrently with other Vermont HCBS stakeholder activities, which should be considered when acting on the recommendations included in this report. Specifically, [Age Strong VT](#) (formerly Vermont Action Plan for Aging Well) the **Vermont Complex Care Planning Workgroup**, and the Vermont [HCBS Conflict of Interest project](#) are important initiatives that may impact the current HCBS system and may alter the appropriateness of recommendations, depending on the outcomes of those initiatives.



Global Commitment to Health Investment dollars may be considered as a source of funding for some recommendations.



Many of these recommendations require resources and staffing capacity to implement, including at DAIL, other state agencies, and in community-based organizations.

Conclusion

Recommendations developed by the working group present a solid starting place for addressing the needs of Vermonters currently on the Moderate Needs Group and those who could be served in the future. DAIL proposes the following approach to the recommendations:

- Recommendations #1-2 may be implemented administratively by DAIL as the current Flexible Funds option already has the ability to be very flexible and CMS has already given approval for the state to modify the wait list process following the end of the enhanced FMAP funding period (March 2025).
- Recommendations #3-5 need further exploration as they would require both policy change and additional funding for expansion. Recommendation #3 would require alignment with the conflict free case management changes being implemented in the HCBS system in SFY25-SFY26.
- Recommendations #6-7 will be addressed in collaboration with the five Area Agencies on Aging who act as the front door to many services like Choices for Care and who manage the Dementia Respite Grant in community.