

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

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**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.

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\* **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.

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**DAIL OVERVIEW FOR BAA-**

<b>Total Net Increase for BAA (all gross \$'s)</b>	<b>\$ 5,382,053</b>
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
<b>Total adjustments in this section</b>	<b>\$</b>	<b>264,444</b>

**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
<b>Total adjustments in this section</b>	<b>\$</b>	<b>260,505</b>

**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)
<b>Total adjustments in this section</b>	<b>\$</b>	<b>908,701</b>

**Traumatic Brain Injury (TBI) Home and Community Based  
 Waiver –**

1) PCAV’s Abusive Head Trauma Prevention initiative To DCF (AHS net-neutral)	\$	(31,000)
<b>Total adjustments in this section</b>	<b>\$</b>	<b>(31,000)</b>

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**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.	<b>\$ (532,599)</b>
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	<b>\$ (981,479)</b>
<b>Total adjustments in this section</b>	<b>\$ 3,979,403</b>

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**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**

<u>Initiative</u>	<u>Gross</u>	<u>General Fund Only</u>	<u>Builds Base? (versus one-time)</u>
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	

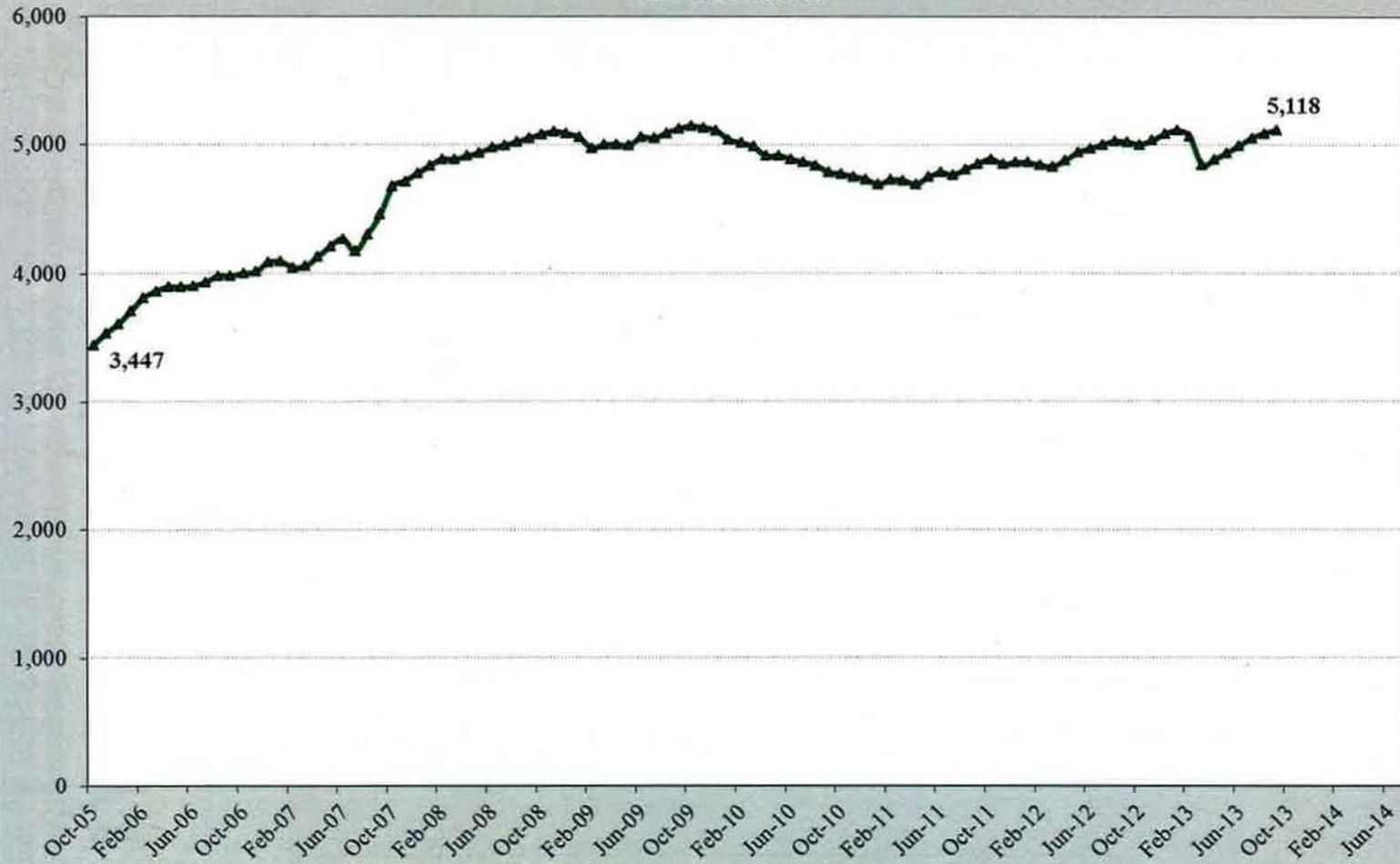
← this is the GF available

*sfy2014 state Medicaid match rate*

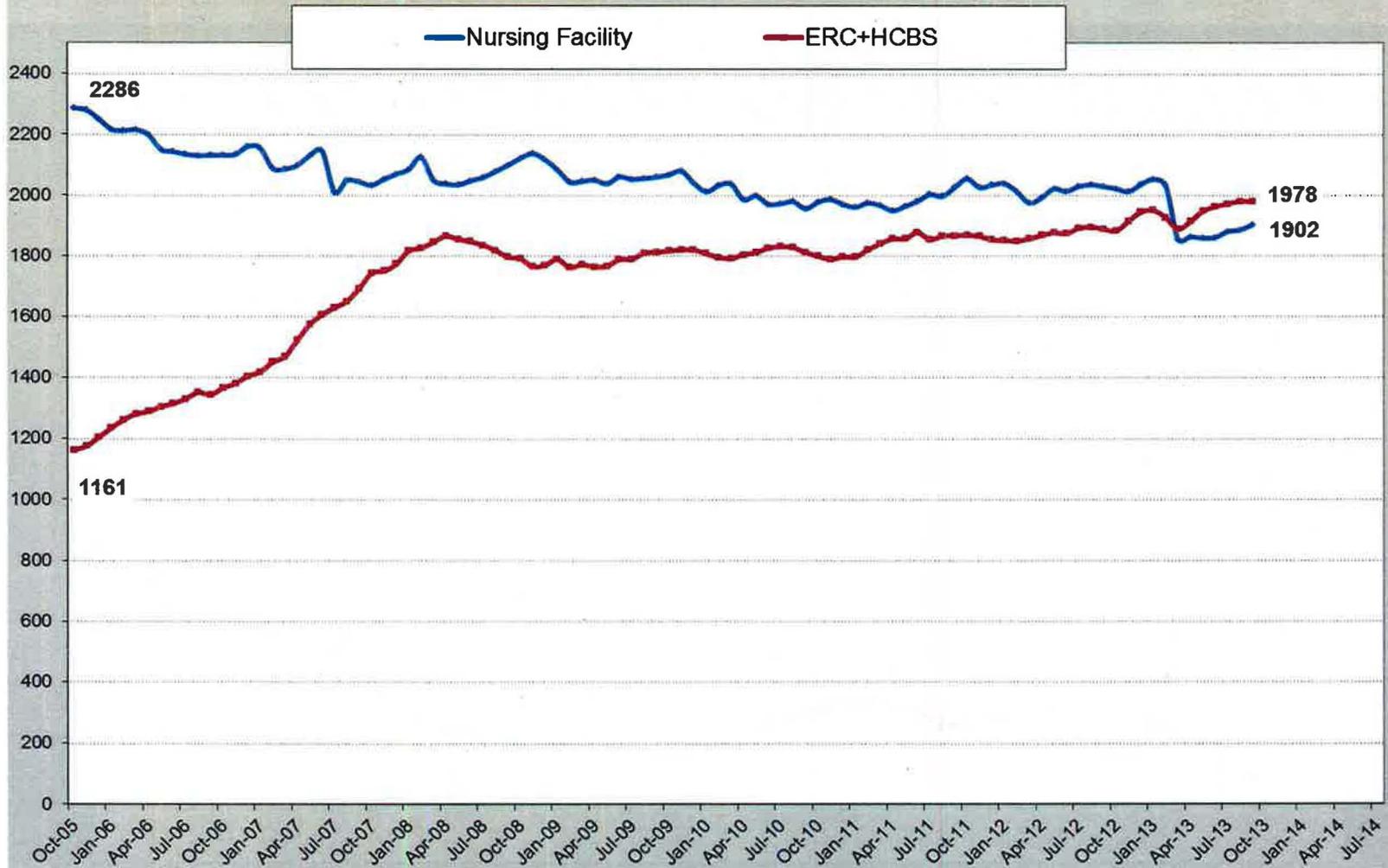
### Choices for Care: Total Enrollment, sfy2006-sfy2014

includes Moderate Needs Group

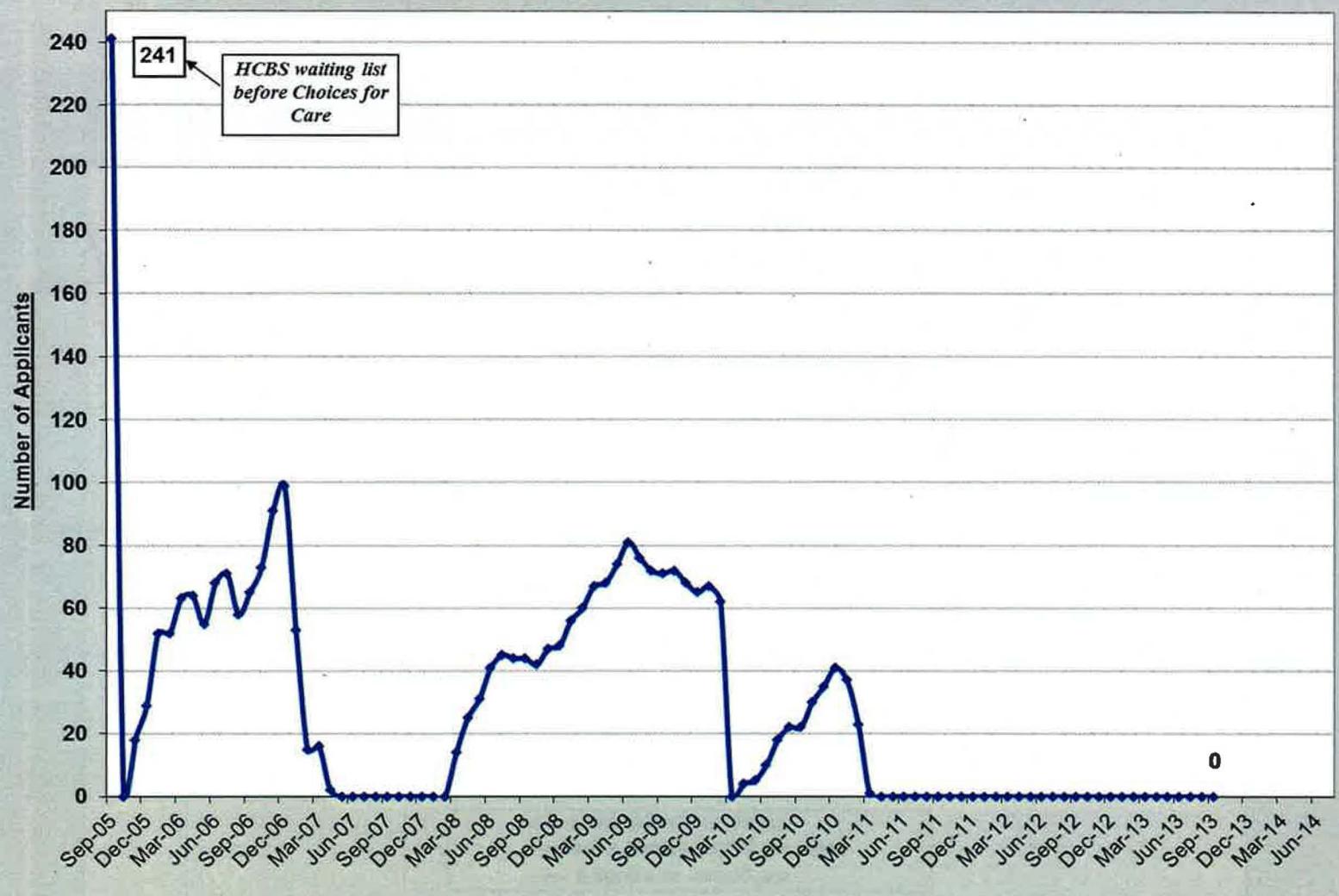
data source: SAMS



Choices for Care: Total Number of Enrolled Participants, SFY 2006 - SFY 2014  
(excluding Moderate Needs Group)

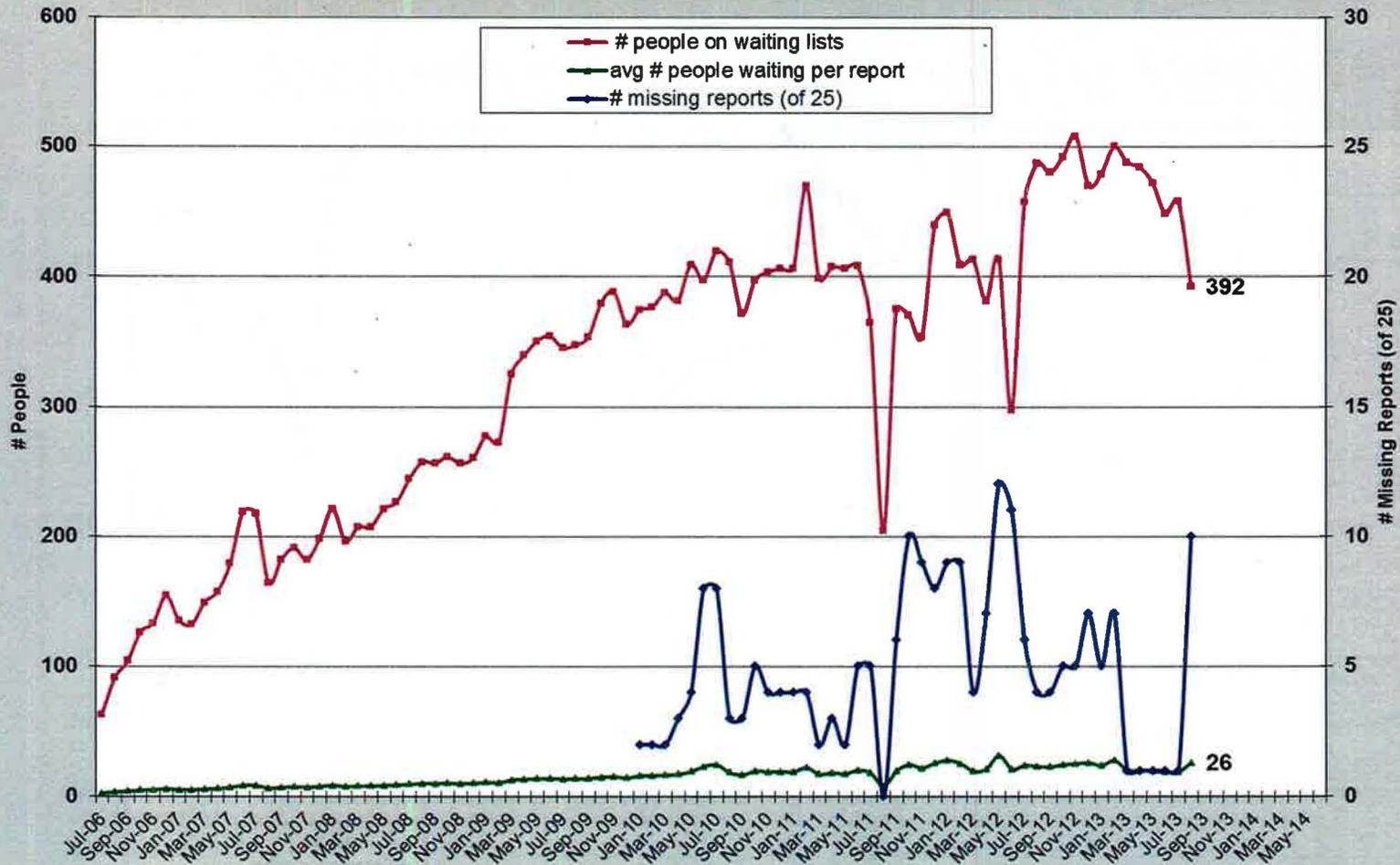


Choices for Care High Needs Applicant/Waiting List, SFY2006 - SFY2014



### Choices for Care Moderate Needs Waiting Lists, sfy2007-sfy2014

data sources: MNG Adult Day and Homemaker provider waiting lists



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 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.

<b>DAIL MNG Reinvestment Revision</b>				
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	<b>Total</b>	
estimated 413 wait list (129 Medicaid)	\$ 926,250	\$ 2,073,750	<b>\$3,000,000</b>	
<b>SFY14 assumptions/estimated:</b>	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	<b>Total</b>	<b>SHIFT '15 to '14</b>
	\$ 1,296,772	\$ 1,703,228	<b>\$3,000,000</b>	<b>\$ 370,522</b>
	wait list	allocation	half year/ per person	fyi full year per person
<b>SFY14 Revised Estimates</b>				
<b>ADULT DAY: Increase</b>				
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		
<b>HOME HEALTH: No change</b>				
Home Health HMMK - wait list (same)				
HMMK - Flex Pilot, phase 1	387	\$ 754,650	\$1,950	\$3,900
		\$ -	\$0	\$0
		\$ 754,650		
<b>AAA FLEX: Increase</b>				
	flex	\$ 179,000		
<b>Total SFY14</b>	<b>433</b>	<b>\$ 1,296,772</b>	<b>n/a</b>	<b>n/a</b>
<b>Total SFY15 **</b>		<b>\$ 1,703,228</b>		

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

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>

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

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.

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Susan Wehry, Commissioner  
January 17, 2014

- 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.

Testimony  
Department of Disabilities, Aging and Independent Living  
FY14 Budget Adjustment Request  
Senate Health and Welfare Committee  
January 31, 2014

**CHOICES FOR CARE (CFC) SFY13 REINVESTMENT PROPOSAL for SFY14**

**A Focus on the Moderate Needs Group (MNG)**

DAIL proposes to reinvest \$3,000,000 of Choices for Care FY13 savings over 18 months to achieve 2 outcomes:

- 1) Decrease or eliminate the current MNG Wait List**
- 2) Increase MNG flexibility**

The outcome of this proposed reinvestment will be to **serve more people, create more person-centered flexibility** for the people using services, **improve quality and satisfaction**, and **improve access** to services including maximizing the use of available funding.

The Choices for Care MNG program currently provides limited case management, homemaker and adult day services to individuals in the Moderate Needs Group (MNG). Individuals who are identified as Moderate Needs are below the level of care that would require nursing facility placement and are not subject to the financial eligibility criteria for Medicaid long-term support services. The proposal builds on our experience in the existing 'Flexible Choices' option, which is currently available only to people in the Highest/High Needs Groups.

Proposed allocation of the funding over two years was determined with input from the Moderate Needs Work Group. Factors considered included:

- Ability of providers to move current individuals off of the existing waitlist
- Base amount needed by AAAs to launch a flex pilot
- Historic utilization

Rationale

The proposed reinvestment is supported by **current utilization, provider feedback**, the results of the **CFC Consumer Satisfaction Survey**, and the **independent evaluation by the University of Massachusetts Medical School (UMMS)** and the clear **directive of the Health Care Oversight Committee** to address the current waitlist.

The **DAIL Advisory Board** unanimously endorsed the proposal.

**Sample Flex Services Items**

UMMS survey respondents suggested goods and services that might be useful

We compared these to goods and services purchased by participants in Cash and Counseling Programs and Vermont's Flexible Choices. An assessment of New Jersey's Cash and Counseling Program examined 500 records of individual who stayed in the program almost fifteen months. Records showed that "46% of individuals purchased **transportation**; 37% purchased **laundry service** and 36% purchased **insurance to protect against liability for in-home workers**; although in some cases, it may have been insuring automobiles or computers" (Simon-Rusinowitz, Loughlin, & Mahoney, 2011). In Vermont's Flexible Choices, **personal care assistance** is the largest and most common purchase. Other goods and services include **assistive technology, equipment, and social/education/therapeutic lessons** (UMMS).

**Background**

The Choices for Care Moderate Needs program began with a total budget of \$4,058,198. Within this budget \$2,410,557 was allocated to certified Home Health Agencies (HHA) for homemaker services and \$1,647,641 was allocated to certified Adult Day providers (AD).

In the spring of 2011, the Moderate Needs program "unfroze" the program budget, allowing providers to begin enrolling new people from their wait lists. Though the program showed slow continuous growth throughout the year, at the end of SFY12 in June 2012 providers still reported approximately 291 people waiting for homemaker services and 6 people waiting for adult day services statewide.