

**Testimony of Sue Chase  
Treasurer, Vermont Association of Adult Day Services (VAADS)  
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**VAADS supports DAIL's initiative to address the MNG Wait List** and the continued funding to reduce the MNG waitlist in the FY 15 budget.

**VAADS also supports an addition \$1 million in FY 14 Choices for Care savings** for one-time reinvestments. However, VAADS would like to see a portion of the money go to MNG transportation. The cost of transportation for the MNG group is extremely high and makes it difficult for adult days to cover the expense. In addition, some adult day providers do not have insufficient E&D Transportation funds to meet the needs of their MNG participants. Because of this, they are close to running out of E&D funds or have limited the number of days people can attend under MNG due to inadequate E&D funds.

**VAADS is requesting an increase in reimbursement rates** – Our reimbursement rate does not cover the cost of providing services. The number of adult day participants who have high acuity needs has increased dramatically, especially those with advanced dementia and/or mental health needs. Costs have increased for items such as fuel, food, transportation, RNs, LPNs, LNAs, physical and other therapies, showers, monitoring of medications, diet and vital signs. It costs, on average, \$18.57 per hour to provide an hour of care. Our hourly reimbursement rate currently is \$15.40. Increasing Medicaid reimbursement rates to \$16.00 an hour will cost \$264,000 (\$105,600 in General Funds). The Governor's FY 15 budget has allocated funds from CFC to nursing homes for their annual rate increase.

**VAADS encourages the Legislature to allocate** some of the CFC savings to a rate increase to all of the CFC community-based providers. The SFY14 Budget states that the priority use of CFC savings is to support home and community based services and that DAIL should not obligate funds to reduce the amount of available savings or "reduce the base funding needed in a subsequent fiscal year prior to calculating savings for the current fiscal year." It is because of home and community-based providers that these savings have been realized.