

**Vermont Association of Adult Day Services**  
c/o The Gathering Place, Adult Day Center  
30 Terrace Street  
Brattleboro, VT 05301  
802-254-6559

**Memorandum**

To: Health Human Services Committee  
From: Mary Fredette, Vermont Association of Adult Day Services (VAADS)  
RE: CFC Budget Adjustment  
Date: January 14, 2014

Thank you for this opportunity to testify on the FY13 Budget Adjustment. The Vermont Association of Adult Day Services (VAADS) supports the Legislature's efforts to establish a common understanding of savings within the CFC program and a process whereby those savings are reinvested in long-term care services. As we are committed to serving more people so that they may remain in their communities, improve access to Adult Day programs and strengthen our ability to meet the increasingly complex needs of our current and future participants.

**VAADS Supports the MNG Wait List Proposal**

VAADS supports DAIL's proposal to allocate \$363,122 to Adult Day providers to help eliminate our MNG wait list of 46 Vermonters. This will prevent or delay the need for more costly institutional care, and allow folks to remain in the community where they want to be.

**VAADS Does Not Support the Proposal to Carry Forward the Majority of Savings to the FY15 Budget**

VAADS does not support DAIL's proposal to carry forward the majority of the savings in FY14. At the end of FY14, there was over \$6 million in CFC savings. VAADS is requesting that at least \$3 million be invested in the FY14 budget adjustment.

VAADS proposes using some of these funds for the following:

- Increase minimum MNG allocation- Currently, 5 Adult Day providers have MNG allocations that range from \$10,586 to \$48,168. VAADS is requesting that the 5 programs be brought up to \$50,000. This will cost \$106,796 (or \$42,718 in GF). Setting a minimum MNG allocation will facilitate efforts to meet community needs and allow those programs to serve at least 3 people for the year at varying levels. Some of the Adult Day programs with small MNG allocations have not fully drawn down their funds due to the size of their current allocation. For example 1 program does not receive enough to serve even one person for one year, so they do not draw down their available funds.
- Adult Day Transportation – Many Adult Day programs do not have access to sufficient funds to meet all the transportation needs of MNG people. Only Elderly & Disabled transportation resources are available to people in the MNG program.
- Reimbursement Rates – Our reimbursement rate does not cover the cost of providing services. It costs on average \$18.57 per hour to provide an hour of care. Increasing Medicaid reimbursement rates to \$16.00 an hour will cost \$264,000 (\$105,600 in General Funds).

Adult Day programs successfully care for frail elders and people with disabilities throughout the continuum of life. The number of adult day participants has increased dramatically, especially among those who have dementia and/or mental health needs. Costs have increased for fuel, food, transportation, RNs, LPNs, LNAs, physical and other therapies, showers, monitoring of medications, diet and vital signs. We provide support to working families, clinical oversight, and therapeutic activities to avoid unnecessary emergency room visits, hospitalizations, and costly, long-term facility stays. Investment in Vermont's Adult Day programs is an investment in the state's most comprehensive, cost-effective, and person-centered care option.