

## Rebecca Buck

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**From:** Beth Stern <bstern@cvcoa.org>  
**Sent:** Monday, April 06, 2015 10:23 AM  
**To:** Rebecca Buck  
**Subject:** testimony for Tuesday April 7  
**Attachments:** Senate Appropriations testimony April 7, 2015.doc

Hello,

I will be testifying in front of Senate Appropriations on April 7. Attached is my testimony. I assume that you do not need or want paper copies of the testimony. If that is different, please let me know. Thanks.

*Beth Stern*

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**FY 2016 BUDGET EFFECTS ON VULNERABLE SENIOR CITIZENS**

**1. ENHANCED RESIDENTIAL CARE CASE MANAGEMENT SERVICES**

**What is being proposed?** Elimination of Case Management for Enhanced Residential Care home participants in the Choices for Care (CFC) program. This was also proposed and *rejected* by the legislature in 2012.

**What is the financial savings to the state?** \$433,622 (this program brings in federal funds through match)

**What impact does this program have and how does it operate?**

- Eliminating Case Management affects **480 vulnerable Choices for Care clients** in residential care homes.
- ERC Case Managers are trained, supervised and conflict-free. A deliberate choice was made when the CFC program was created to have case management services provided by specially trained staff.
- Case Managers have extensive expertise in Long Term Care Medicaid, and are a resource to the homes when there are issues along these lines.
- ERC clients may choose between AAAs and VNAs for Case Management. Eliminating this provision would deny choice to these residents. This is contrary to written case management standards in the Choices for Care program, which states that "people have the right to make their own decisions and decide who they want to be involved in decision making." (Case Management standards state in section IV.B.2)
- Many ERC clients have no family and rely on an objective third party to advocate for them.
- Last time this proposal was floated, several ERC homes said they would back out of the program if external case management was eliminated because, according to one home, they "can't do all this paperwork and already have trouble doing what is expected" of them. Another provider said, "It will drastically reduce my willingness to accept a client who is not enrolled in Medicaid already. No one has trained us to be social workers.... I am the person who takes their money, how can they trust me with all their personal info and financial info without an outside service to advocate for them?"

**SUMMARY:** Some ERC homes may refuse to take ERC clients with the result that some clients may go directly into nursing homes rather than lower-cost ERC homes. Provider agencies (AAAs and VNAs) may lose several case management positions due to the loss of these funds. Our suggestion is a **reduction** to 12 hours per year per client (reduced from the current 48 hours per year), rather than elimination.

**2. SENIOR COMPANION PROGRAM (SCP)**

**What is being proposed?** A 5% reduction in state support for either the Senior Companion Program or the Foster Grandparent's program or a combination of both.

**What is the financial savings to the state?** The state has level funded support for the Senior Companion Program at \$74,500 for over 15 years; a 5% reduction is **\$3725**, a pittance compared with the state budget, but important to a program which already does not cover its costs.

**What impact does this program have and how does it operate?**

- In 2014, 65- 70 low income seniors were paid \$2.65 an hour for providing companionship to over 345 isolated or frail seniors, helping them remain independent and at home;



# Vermont Association of Area Agencies on Aging

Helping Vermonters Age with Independence and Dignity

- Over 57,000 hours of service were provided in 2014; Companions work between 15-40 hours a week;
- If this service was provided by someone paid minimum wage, the cost would be 3-4 times more;
- The SCP serves **both** the recipient and the companion – a win-win situation;
- Area Agency on Aging (AAA) staff members support the companions. AAAs increasingly subsidize the program costs by 20-40%.

**SUMMARY:** The Senior Companion program is an important part of long term care services designed to keep seniors at home. This extremely low-cost, effective program supports both care recipients and caregivers. A reduction in state support will further erode this capacity and some clients may end up in nursing homes sooner.

### 3. LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

**What is being proposed?** Elimination of state portion (\$6 million) of LIHEAP funds.

**What is the financial savings to the state?** \$6 million.

**What impact does this program have and how does it operate?** This will likely reduce benefits for future LIHEAP beneficiaries. Also, using federal income guidelines (mandatory if the state doesn't contribute) throws 4000 households off of supplemental fuel and 1000 households off of crisis fuel.

**SUMMARY:** There is no guarantee that fuel prices will stay at their current low level. Many clients already have challenges meeting their fuel needs even with LIHEAP assistance. This will likely shift requests from LIHEAP to already scarce community resources. A recent study noted that 20% of Vermonters are "fuel poor" and this will exacerbate the problem. <http://digital.vpr.net/post/20-percent-vermonters-are-fuel-poor-new-study-shows>

### 4. LONG TERM CARE MEDICAID APPLICATION PROCESS

There are currently long back-logs in determining LTC eligibility, negatively affecting seniors and provider agencies. 2 Area Agencies on Aging are participating in a pilot to help streamline this process by assigning a dedicated staff member to work with seniors, their families and the state. Early results are promising and we feel it is worth exploring making this pilot statewide.

#### SUMMARY

1. **ERC Case Management** provides vital services to vulnerable residents as well as the ERC homes. Limiting this service to 12 hours per year would continue to support clients, homes and Case Management agencies, without risk of increased nursing home utilization and/or staff reductions.
2. **The Senior Companion Program** is one of the most cost effective preventative programs, and has been underfunded and subsidized by AAAs for years. Continued underfunding and/or a reduction will further erode our ability to support the low-income companions who help frail, vulnerable seniors stay home
3. **LIHEAP** reductions during times of low fuel prices are short-sighted and further contribute to Vermonters being "fuel poor."

