



Agency of Human Services

Department of Disabilities, Aging and Independent Living

**GOVERNOR'S SFY16 BUDGET TESTIMONY
HIGHLIGHTS
SENATE HEALTH AND WELFARE
MARCH 26, 2015**

Susan Wehry, Commissioner

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Department of Disabilities, Aging and Independent Living Budget Testimony 2015 Legislative Session

The Department of Disabilities, Aging and Independent Living is responsible for services to elders and Vermonters of all ages with disabilities.

Our mission is to make Vermont the best state in which to grow old or live with a disability, with dignity, respect and independence.

DAIL consists of five divisions:

- Division for the Blind and Visually Impaired (DBVI)
- Developmental Disabilities Services Division (DDSD)
- Division of Licensing and Protection (DLP)
- Division of Vocational Rehabilitation (DVR)
- Adult Services Division (ASD)

The Commissioner's Office includes the Deputy Commissioner; Operations and Health Reform; Policy, Planning and Analysis; Information Technology and Legal Units; Business Office and an Executive Assistant.

Budget Impact by Divisions

I. The Division for the Blind and Visually Impaired (DBVI) provides and oversees specialized services for people who are visually impaired using a rehabilitation model that starts when the person experiences vision loss. DBVI offers an array of services specifically designed for people who have lost visual function and independence.

DBVI Performance Measures

How many we serve: 434 individuals

How well we serve: Customer Satisfaction

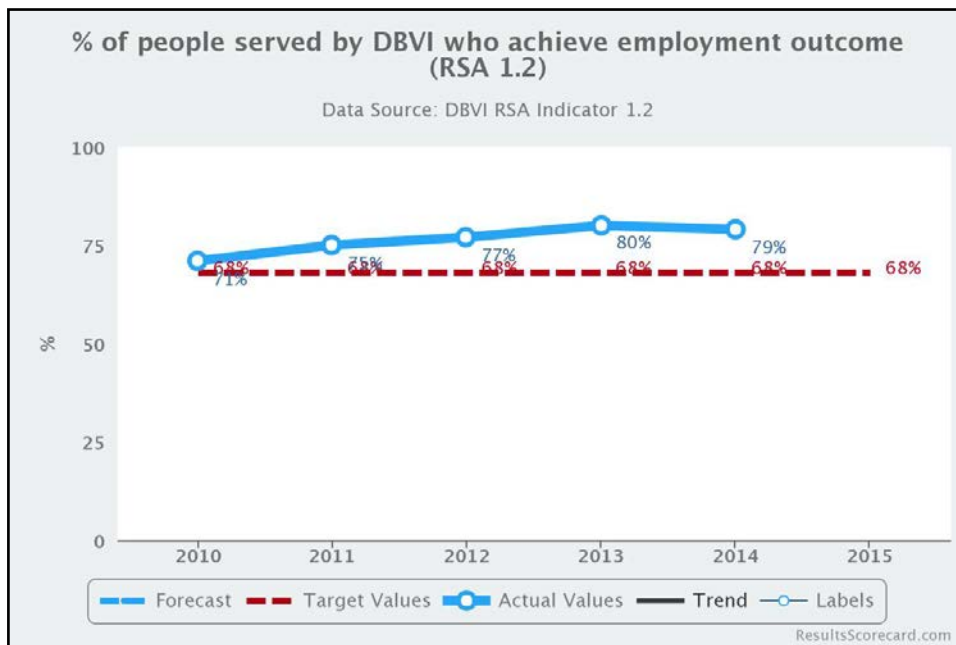
The closure surveys also show that 92% of customers rated DBVI services highly, including the following:

- Staff are easy to contact
- Services are timely
- Services are useful
- Services are easy to access

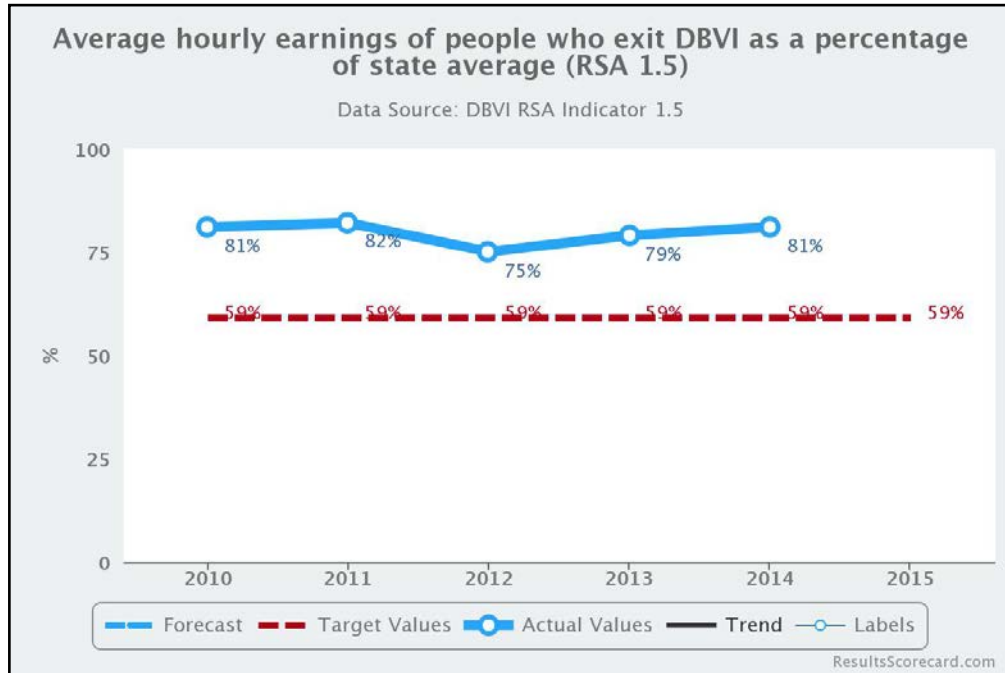
How clients are better off

Employment Rate: The percentage of people served by DBVI who have achieved an employment outcome (successfully attained vocational goal for a minimum of 90 days)

	2010	2011	2012	2013	2014	National Standard
Employment Rate	71%	75%	77%	80%	79%	67.11%



Wages: The percentage of all individuals who have achieved an employment outcome, with earnings equivalent to at least the minimum wage.



Net reduction DBVI 112K

> SFY15 Base Appropriation	\$1,481,457
> Reductions to Case Services (\$10K for Center-Based Rehabilitation, \$50K less for Counselors to manage with)	(\$60,000)
> Reduce Service to Groups	(\$10,000)
> Reduce Older Blind Grant to VABVI [Vermont Assoc. for the Blind and Visually Impaired] (eliminate one Rehabilitation Teacher employed by VABVI – serves 200+ older blind Vermonters)	(\$42,000)
SFY16 Recommend	\$1,369,457

II. Developmental Disabilities Services Division (DDSD) is responsible for services to people with developmental disabilities, traumatic brain injuries, and guardianship services to adults with developmental disabilities services and older Vermonters.

Developmental Disabilities Services: Developmental Disabilities Services (DDS) are provided by Designated and Specialized Services Agencies with the goal of cost-effective, integrated community living. In SFY 14, 2,833 Vermonters received home and community-based services. In SFY12–14, developmental disabilities services set a target employment rate of 45% for all working age consumers. The average employment rate in SFY13 was 48% with 9 of the 13 agencies exceeding the target (69%). Data for SFY14 is expected to be available in March, 2015.

DDSD Performance Measures

How many we serve: 4, 283 Unduplicated individuals across all programs

How well we serve: Customer Satisfaction

In our 2014 Developmental Disabilities Services Consumer Survey, consumers expressed high degrees of satisfaction with where they are living (90%), their jobs (97%), how they spend free time (83%), community supports (97%), and feeling listened to at their support plan meetings with their service agency (93%).

Spending

Vermont ranks in the middle of the New England states in spending of state dollars (including Medicaid match) per state resident for intellectual/developmental disability (I/DD) services – and is higher than the national average, Vermont is ranked 15 nationally in state spending per capita.

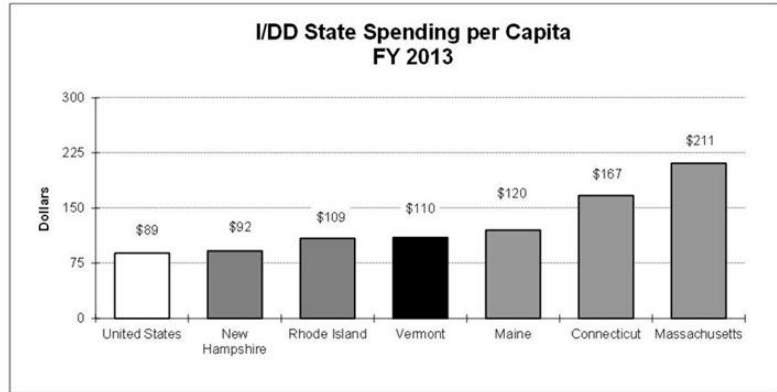
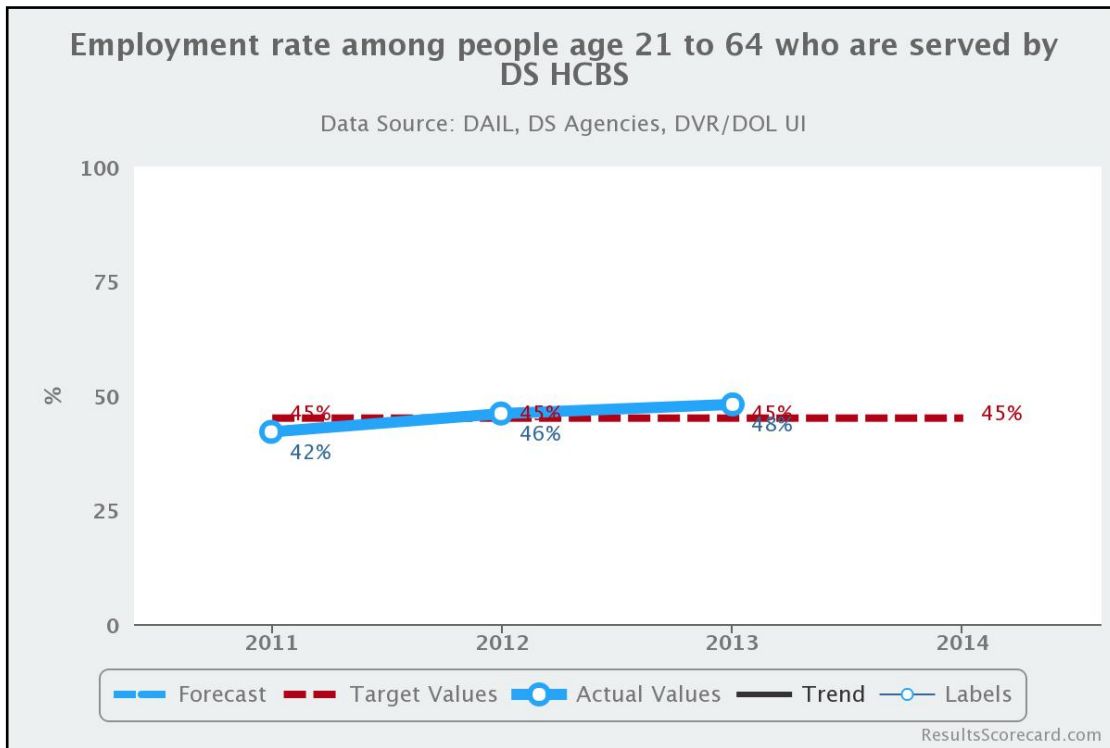


Chart: Preliminary Data – The State of the States in Developmental Disabilities, Department of Psychiatry and Coleman Institute for Cognitive Disabilities, University of Colorado, 2015]

Oversight

In 2014, State Auditor Douglas R. Hoffer conducted an audit of the Designated Agency (DA) Master Grant and released his report in October, 2014, *Designated Agencies: State Oversight of Services Could be Improved, But Duplicate Payments Not Widespread*. The Department is in the process of implementing the recommendations aimed at strengthening our management and oversight of Developmental Disabilities Services.

How consumers are better off



Net increase \$10M

Developmental Services Appropriation	
SFY15 Base Appropriation	\$178,044,952
Caseload - general and high school graduates	\$6,577,767
Caseload - Public Safety/Act 248	\$2,485,857
Initiatives to reduce spending	(\$1,963,335)
2.5% Medicaid Rate increase for 6 months	\$2,084,187
BAA/Net Neutral Items below:	
SFI Funding no longer needed [BAA Item]	(\$287,190)
Direct Care Worker – Collective Bargaining Agreement [BAA Item]	\$1,289,974
Integrated Family Services (IFS) Transfer to DMH from DAIL (non-categorical funding to Howard Center for Accessing Resources for Children (ARCH) bundle [AHS net-neutral] – [BAA Item]	(\$100,000)
IDT – Health Department Autism federal Grant ended	(\$58,000)
SFY16 Recommend	\$188,074,212

Traumatic Brain Injury Program: The Traumatic Brain Injury (TBI) Program serves Vermonters with moderate to severe brain injuries, diverting or returning them from hospitals and facilities to community-based settings.

In SFY14 the program served 83 people

In SFY 14, 27% of people served in the TBI home and community-based rehabilitation services program were employed during the year.

Net increase \$682,824

Traumatic Brain Injury (TBI) Program	
> SFY15 Base Appropriation	\$5,024,741
> TBI Caseload Pressure (7 individuals x \$75K)	\$525,000
> 2.5% Medicaid Rate increase for 6 months	\$60,229
> Minimum Wage (respite) diff between 1140 days @ 139.68 vs 1140 days @ 77.06	\$71,387
> Payroll Services for TBI (PMPM fee \$52 x 12 months x 42 consumers)	\$26,208
SFY16 Recommend	\$ 5,707,565

Office of Public Guardian: The Office of Public Guardian (OPG) provides guardianship and other court-ordered supervision to people age 18 and older with developmental disabilities and to Vermonters age 60 and older. In SFY14, 750 adults received guardianship including 655 people with developmental disabilities and 88 adults over age 60. The program also provides case management (7 people served) and representative payee services (339 people served).

DAIL Administration & Support Section	
Total SFY15 Base Appropriation	\$31,796,856
SFY16 increase in Administration & Support	\$ 2,214,042

III. Division of Licensing and Protection (DLP) III. Division of Licensing and Protection (DLP) supports the DAIL mission through the activities of 2 units: Survey and Certification (S&C) and Adult Protective Services (APS). Assertive surveys at healthcare facilities helps ensure vulnerable adults have dignity, respect, and independence. Effective investigation and protective services deal with abridgement of these rights.

No change in budget

IV. Division of Vocational Rehabilitation (DVR) 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 services for 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.

How many we serve: 9,742 Individuals served

How well we serve: Customer Satisfaction

Consumer surveys are conducted every two years. Results from the most recent survey (2013) show that:

- 91% of customers indicate it is easy to access vocational rehabilitation services;
- 86% of customers are very satisfied or satisfied with their control and involvement in the vocational rehabilitation experience;
- 97% of customers indicate that the Vermont Division of Vocational Rehabilitation staff treat them with dignity and respect;
- Among those customers who were working, 81% are very satisfied or satisfied with their job in 2013;
- Nine in ten customers (90%) would refer a friend or relative to vocational rehabilitation.

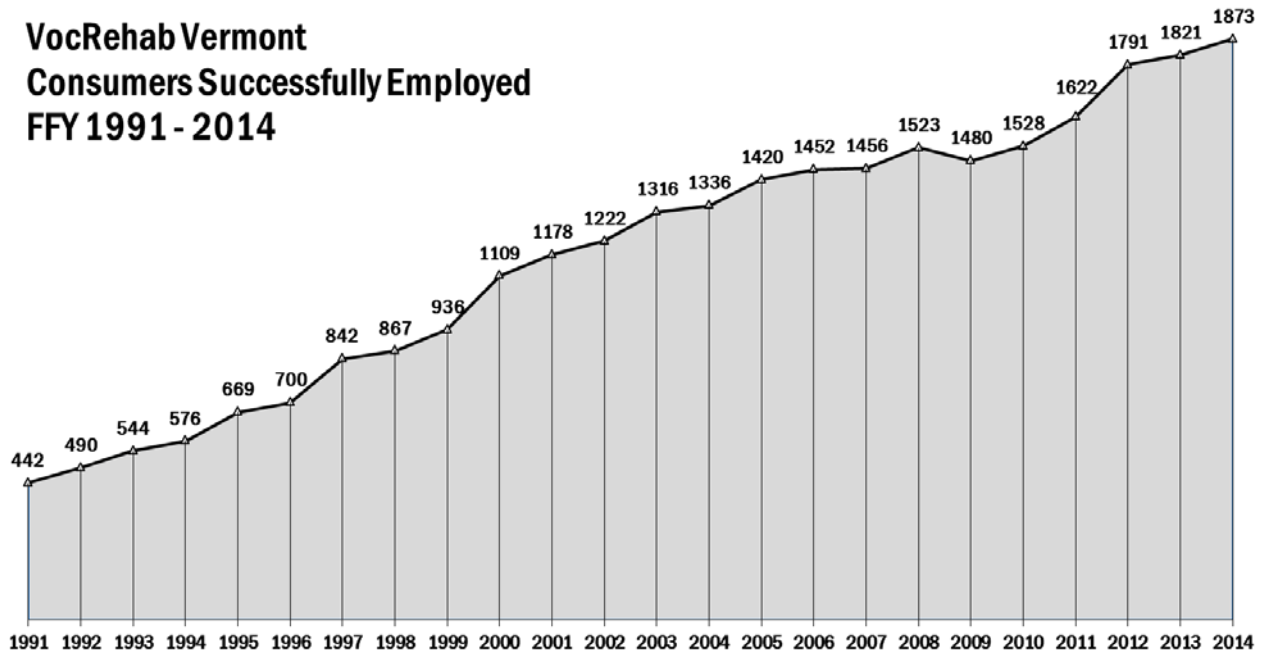
Nationally, Vermont VR ranks #1 among general VR agencies in:

- New VR applicants per million state population
- VR employment outcomes per million state population

How consumers are better off

Total number of people served by DVR who achieve an employment outcome (RSA Indicator 1.1). Consumers are considered to have a successful employment outcome if they have remained stable in their employment for 90 or more days after they developed an individualized plan for employment (IPE) with VR staff, received VR services under that plan, and closed their VR ‘case’.

**VocRehab Vermont
Consumers Successfully Employed
FFY 1991 - 2014**



Almost \$ 500K in reductions; Net increase of \$176,284

Vocational Rehabilitation Division	
SFY15 Base Appropriation	\$8,795,971
Eliminate Assistive Technology Reuse (GF only) Program	(\$70,000)
Eliminate GF portion of VCIL Independent Living Services Grant	(\$51,250)
Eliminate Adaptive Van set aside (VR Section 110 Case Services)	(\$100,000)
Reduce set aside funds for Industry Certified training programs (VR Section 110 Case Services)	(\$100,000)
Senior Community Service Employment federal grant moved from DAIL Grants to VR Grants – net neutral	\$647,534
MOU with Department of Children and Families (DCF) related to the SSI application Assistance (AHS net neutral)	(\$150,000)
SFY16 Recommend	\$8,972,255

V. **The Adult Services Division (ASD)** is responsible for long-term services and supports for older Vermonters and adults with physical disabilities. This includes management of the Choices for Care (CFC) program, the Moderate Needs (CFC) program, the Attendant Services Program, Adult High Tech, Adult Day services, Aging & Disabilities Resource Connections and other related contracts and grants. ASD works with private organizations to provide a broad array of long term services and supports, including: residential support, community support, case management, family supports, respite, assistance with activities of daily living, assistive technology, nursing home level of care, rehabilitation services, support to live at home, information and referral, and personal care. (Appropriations 3460010000, 3460020000, Choices for Care DVHA budget)

Choices for Care (CFC) is designed to support people to live in the settings of their choice. Vermonters who need long-term support services can choose to receive services in their own homes, nursing homes, enhanced residential care (ERC) homes, or Adult Family Care (AFC) homes. The success of Choices for Care is measured against several core objectives as listed below.

Choices for Care Annual Evaluation Reports use the annual Consumer Survey to measure:

- Information Dissemination
- Access
- Effectiveness
- Experience with Care
- Quality of Life
- Waiting List
- Budget Neutrality
- Health Outcomes
- Service Array and Amounts

<http://www.ddas.vermont.gov/ddas-publications/publications-cfc/evaluation-reports-consumer-surveys/cfc-evaluation-rpts-consumer-surveys>

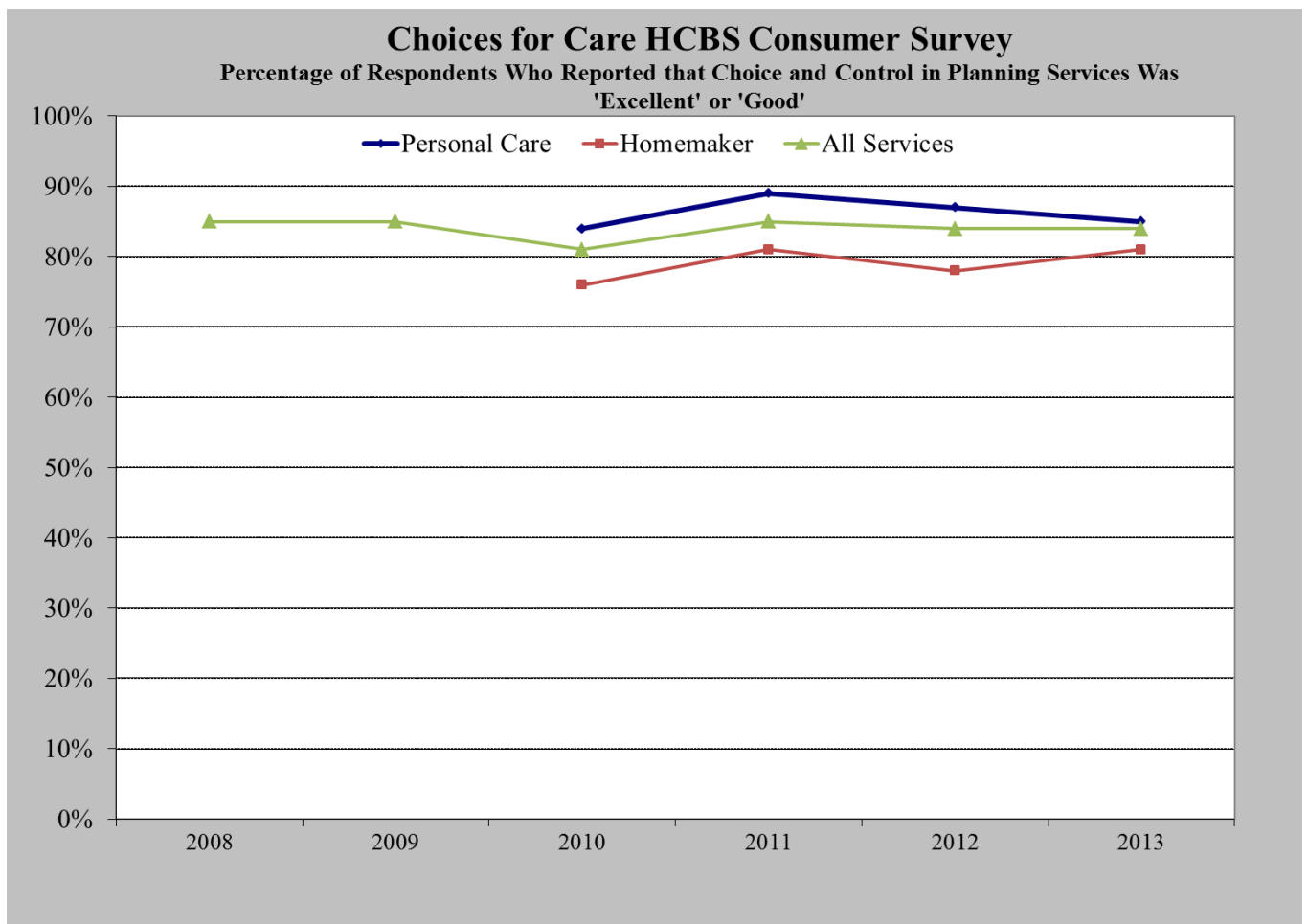
Core objectives measured in the Choices for Care Quarterly Data Reports include:

1. Support individual choice
2. Serve more people
3. ‘Shift the balance’: reduce the number and percentage of people who are served in nursing homes; increase the number and percentage of people who are served in alternative settings
4. Expand the range of service options
5. Eliminate or reduce waiting lists
6. Manage spending to available funding
7. Ensure an adequate supply of nursing home beds
8. Ensure that services are of high quality and support individual outcomes
9. Support the independent evaluation, including associated measures and documents

Key highlights of the most recent Choices for Care Data Report, dated November 2014, are as follows:

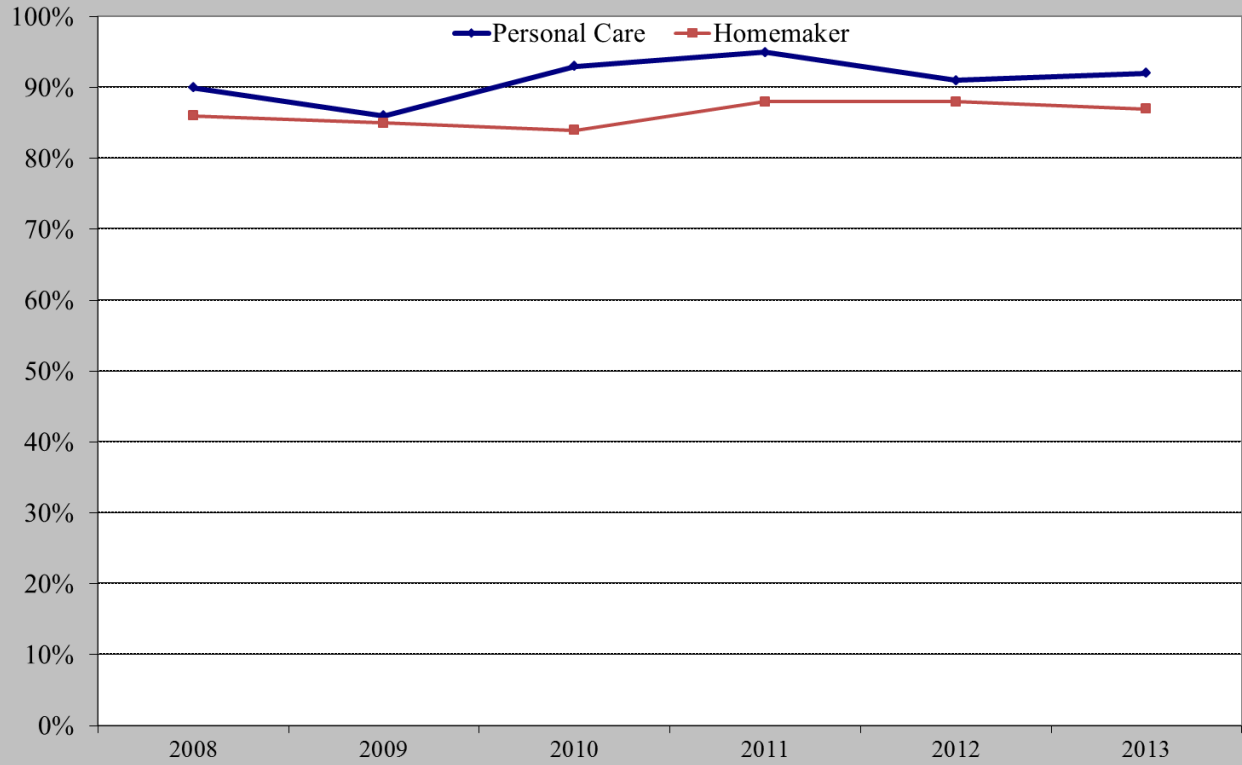
1. Support Individual Choice -

The primary goal of Choices for Care is to support individual choice among a range or 'menu' of long term care services and settings. A large majority of participants receiving Home and Community Based Services (HCBS) report that they had good choice and control over home and community based services, and that these services were provided when and where they need them.



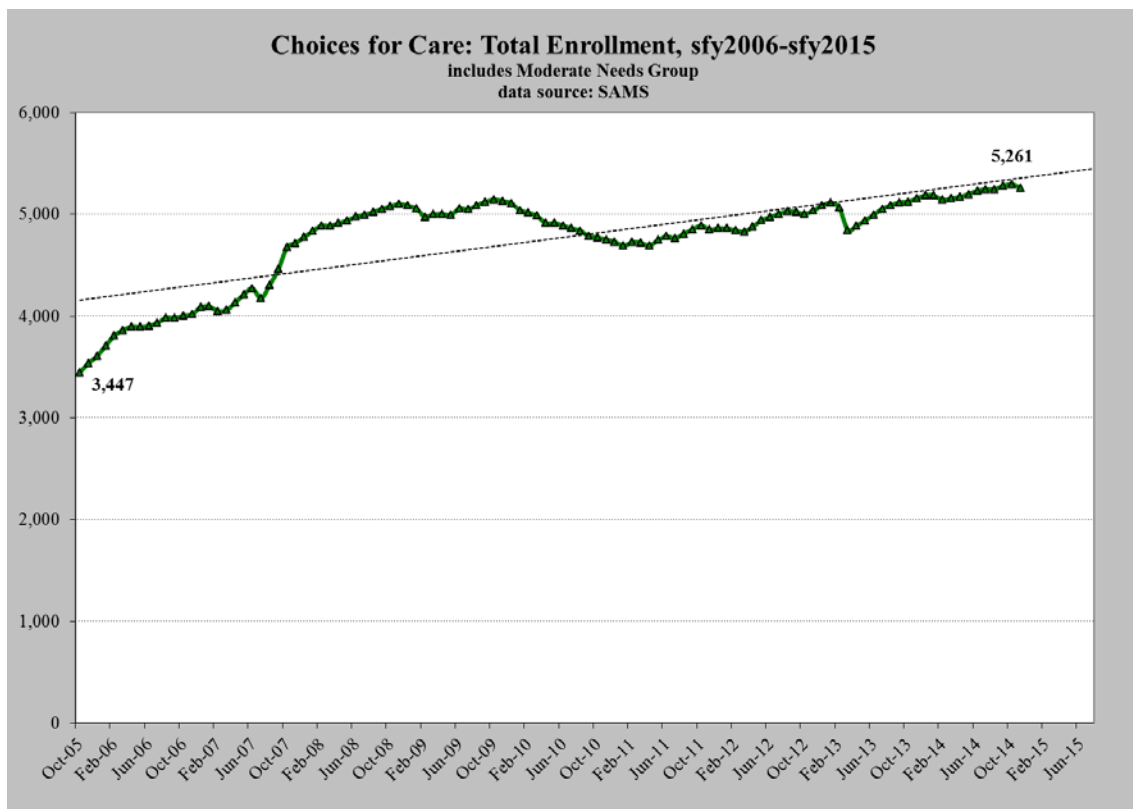
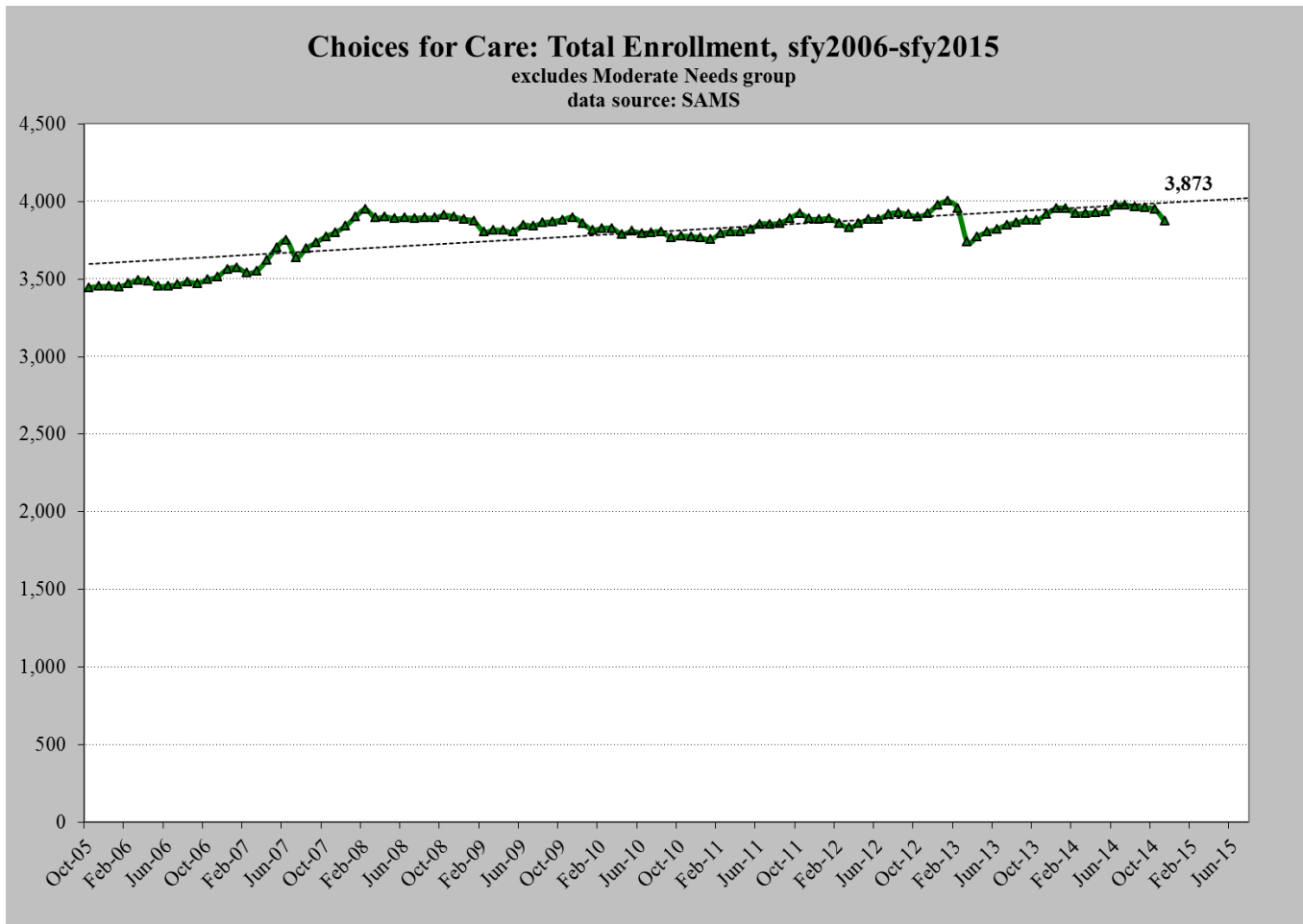
Choices for Care HCBS Consumer Survey

Percentage of Respondents Who Reported that CFC Personal Care Services Were Always or Almost Always Provided When and Where Needed



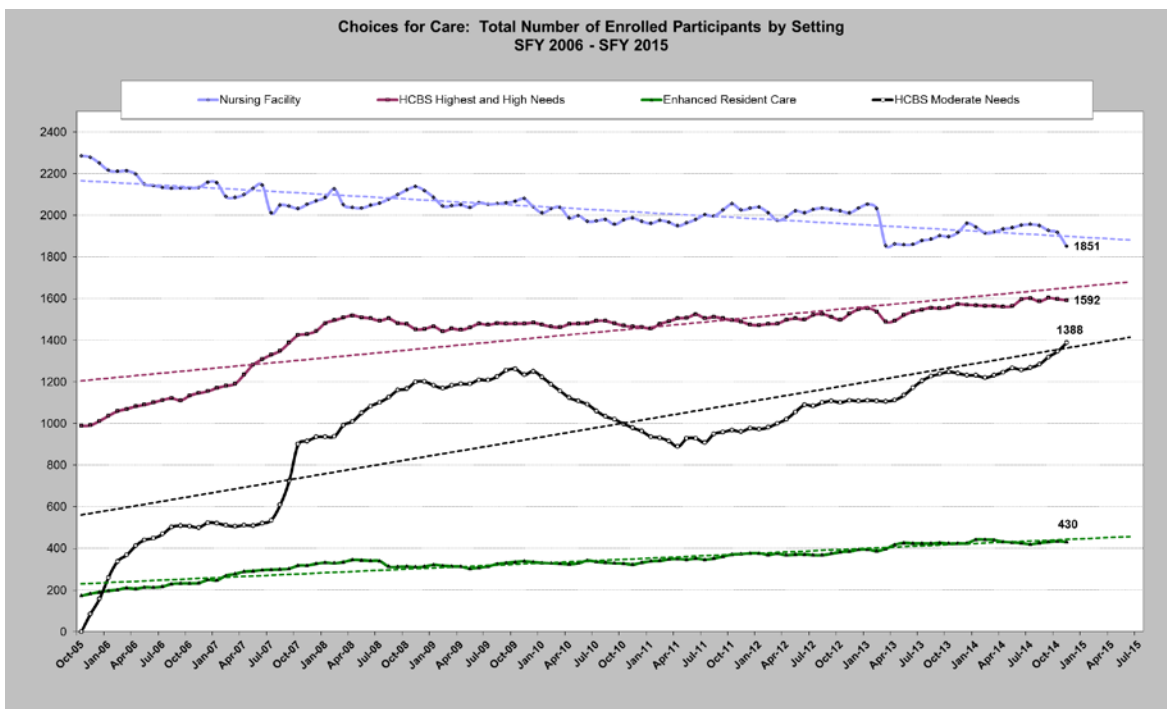
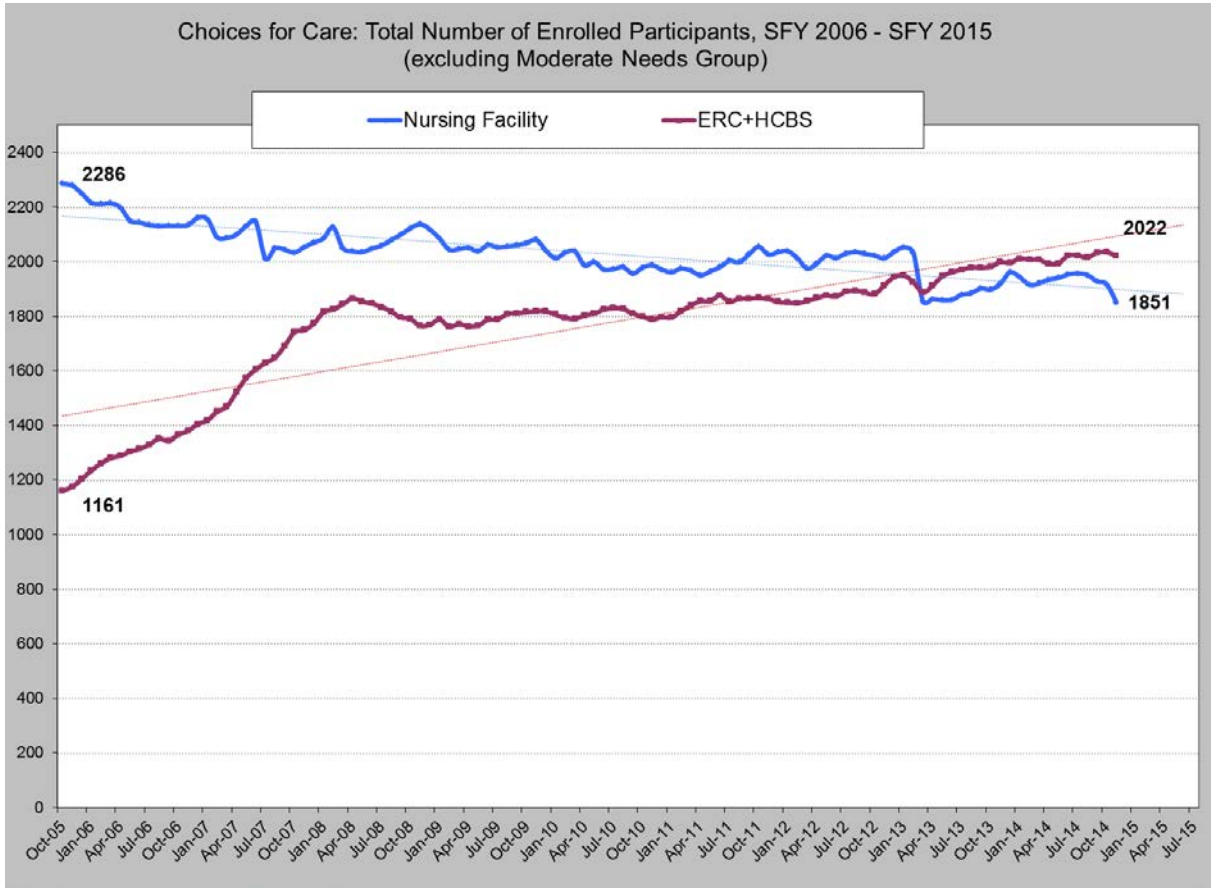
2. Serve more people

The number of people served by Choices for Care has increased substantially

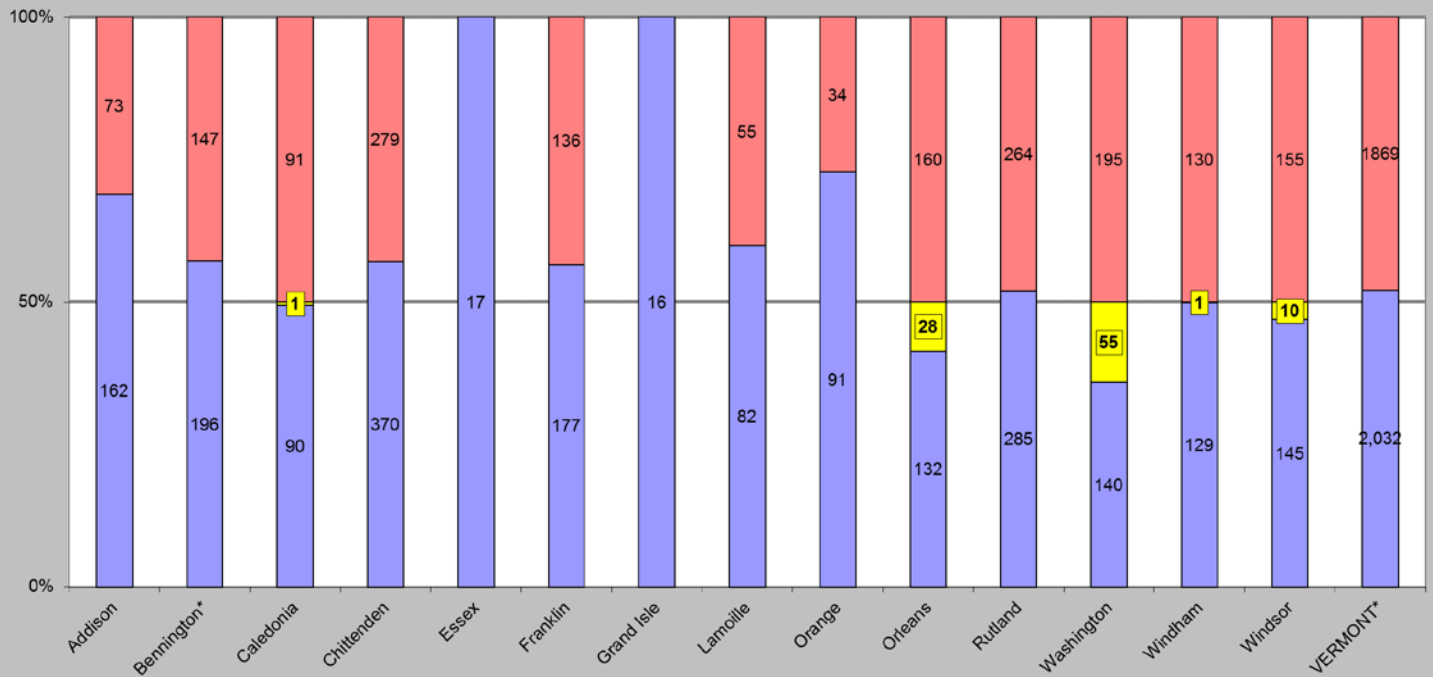


3. Shift the balance –

Choices for Care has achieved progress since 2005, with enrollment in CBS and ERC exceeding enrollment in nursing homes for the first time in March 2013.



Vermont Choices for Care: Nursing Home Residents and Home & Community-Based Participants by County, October 2014
 Changes (in Yellow) Needed to Achieve At Least 50% Use of HCBS
 This represents one measure of 'rebalancing' long term care



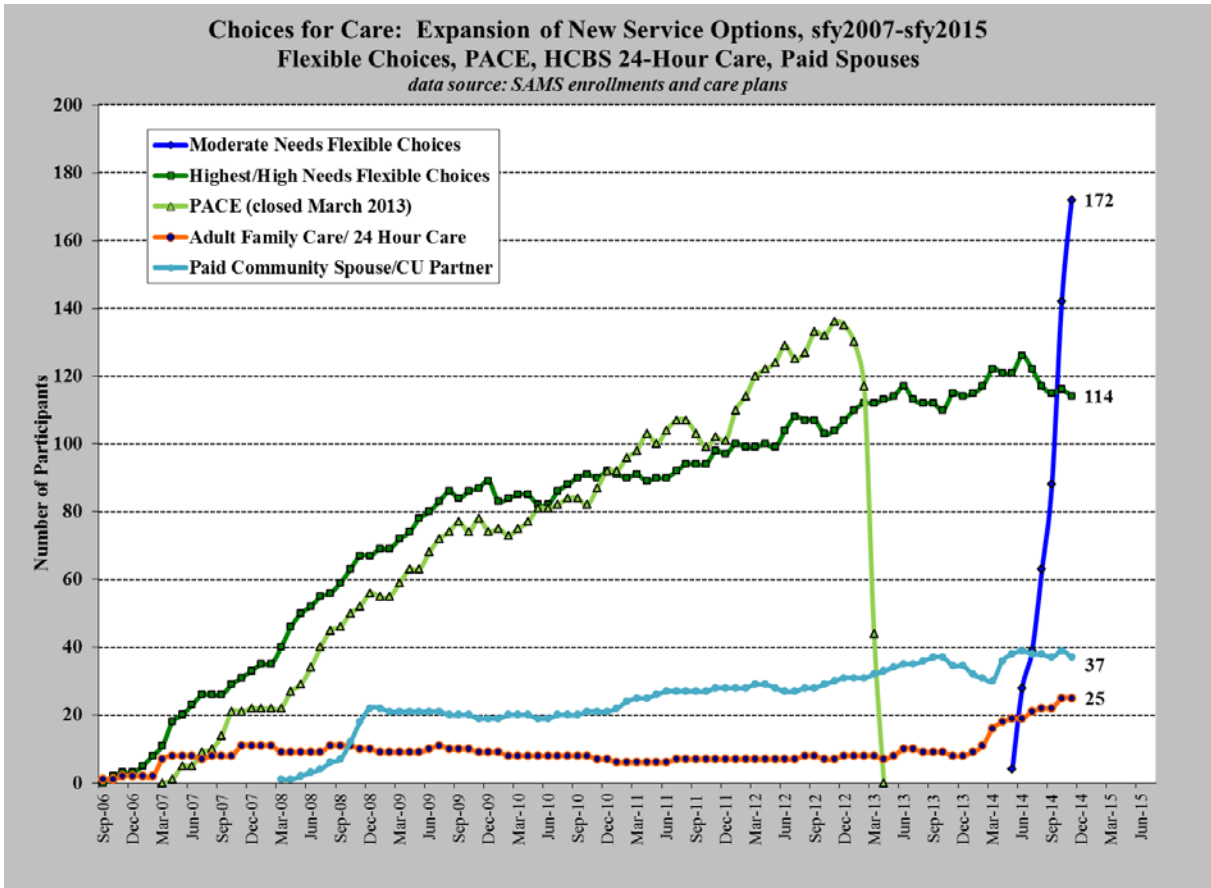
- Number of HCBS Participants (includes ERC but excludes Moderate Needs Group)
- Number of Medicaid Nursing Home Residents in Excess of 50/50
- Number of Medicaid Nursing Home Residents Less Than or Equal to 50/50

*Bennington and VERMONT figures exclude Medicaid residents in Vermont Veterans' Home (n=48).
 NF and ERC figures are based on current recorded residence, and often do not reflect county of residence prior to admission.
 VT residents in out of state facilities (n=48) included in VERMONT.

4. Expand the Range of Service Options –

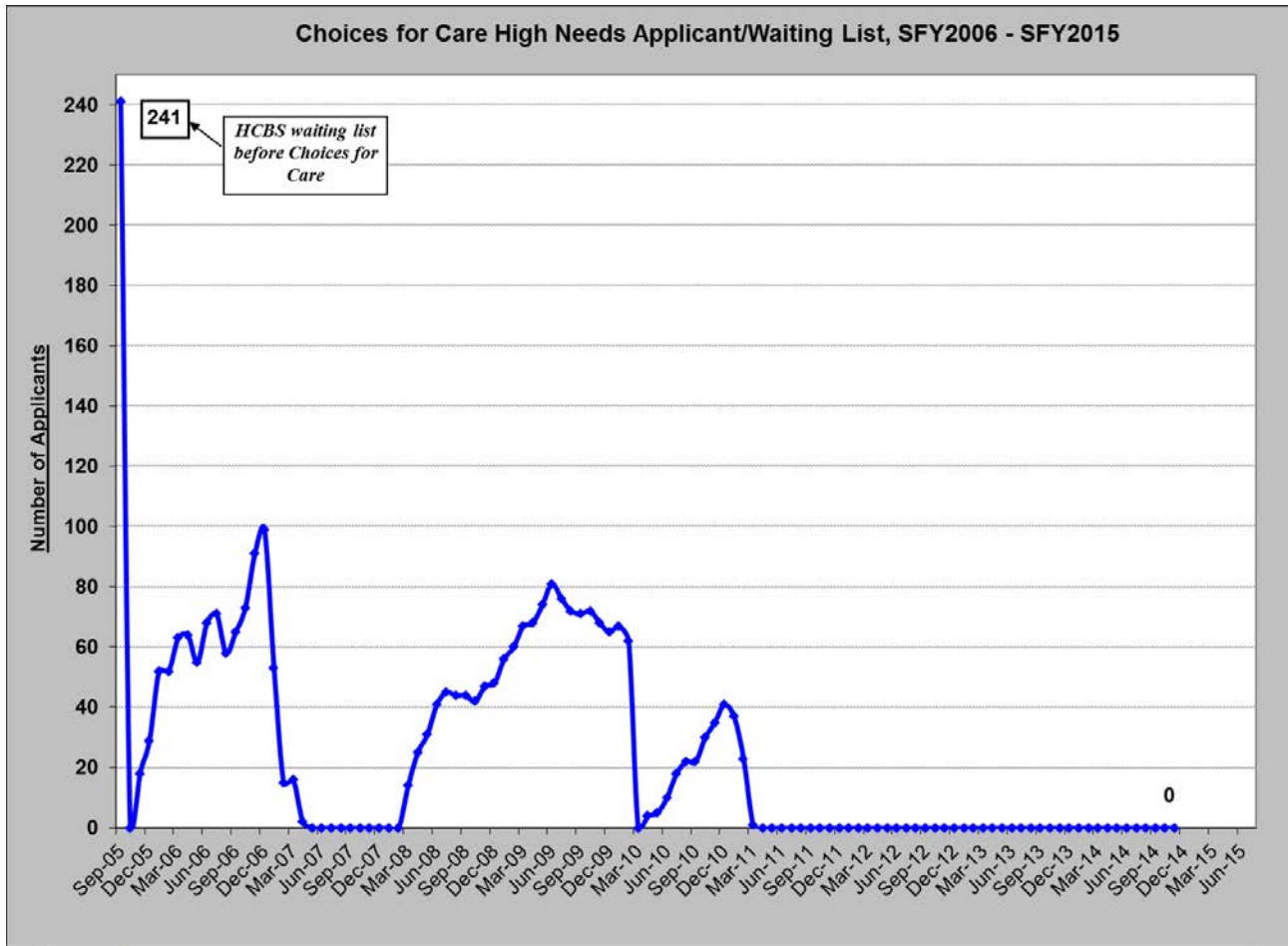
Two new services were added to the Choices for Care options in SFY14

- Adult Family Care: Implemented in September 2013, intended to give people access to 24-hour services in home settings.
- Moderate Needs Flexible Choices: Implemented in February 2014, intended to give participants more choice and control over the services that they receive.

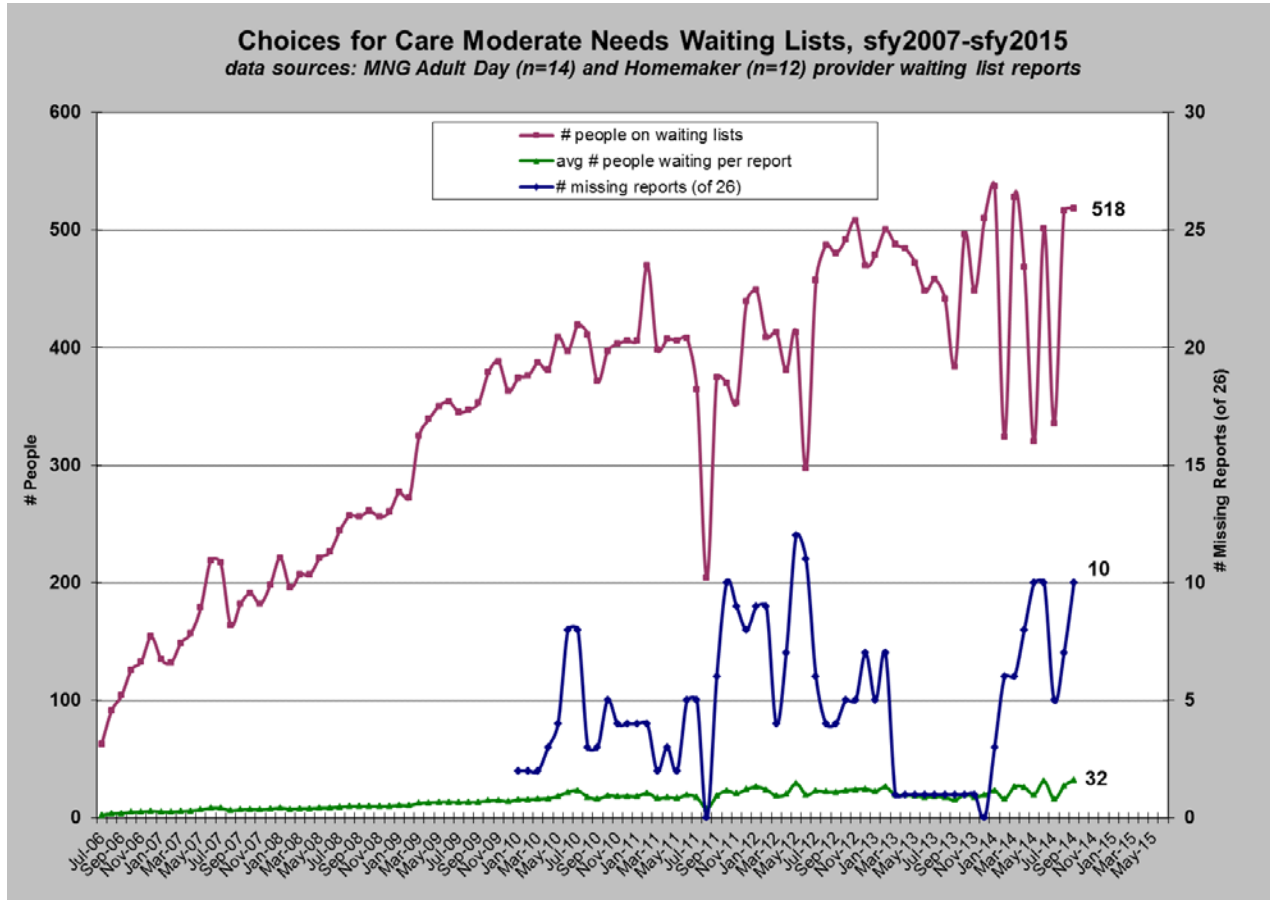


5. Eliminate or Reduce Waiting Lists –

Choices for Care has eliminated the high needs waiting list for people who meet nursing home level of care criteria (high/highest needs clinical eligibility.)



Waiting lists do continue for applicants with moderate needs who do not meet nursing home level of care (Moderate Needs Group/MNG.) Many thousands of Vermonters are potentially eligible for this group, with services limited by available funding.

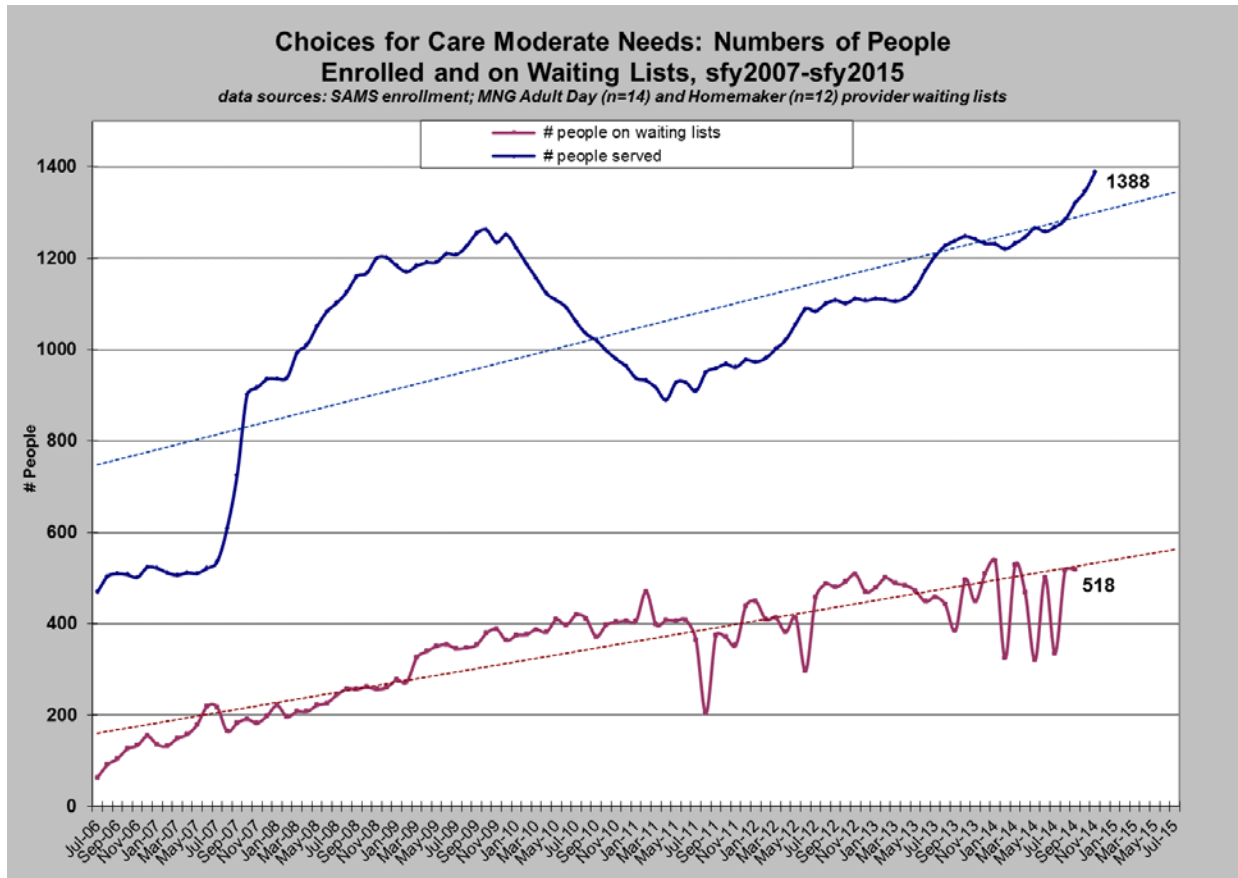


The eligibility requirements for Moderate Needs Group services are designed to be inclusive. As a result, the use of services is limited by the availability of funding, rather than by rigorous or restrictive functional and financial eligibility requirements. Because the number of potentially eligible people may be tens of thousands of people¹, it is difficult to foresee circumstances in which a waiting list would be permanently eliminated.

¹ Moderate Needs Group eligibility:

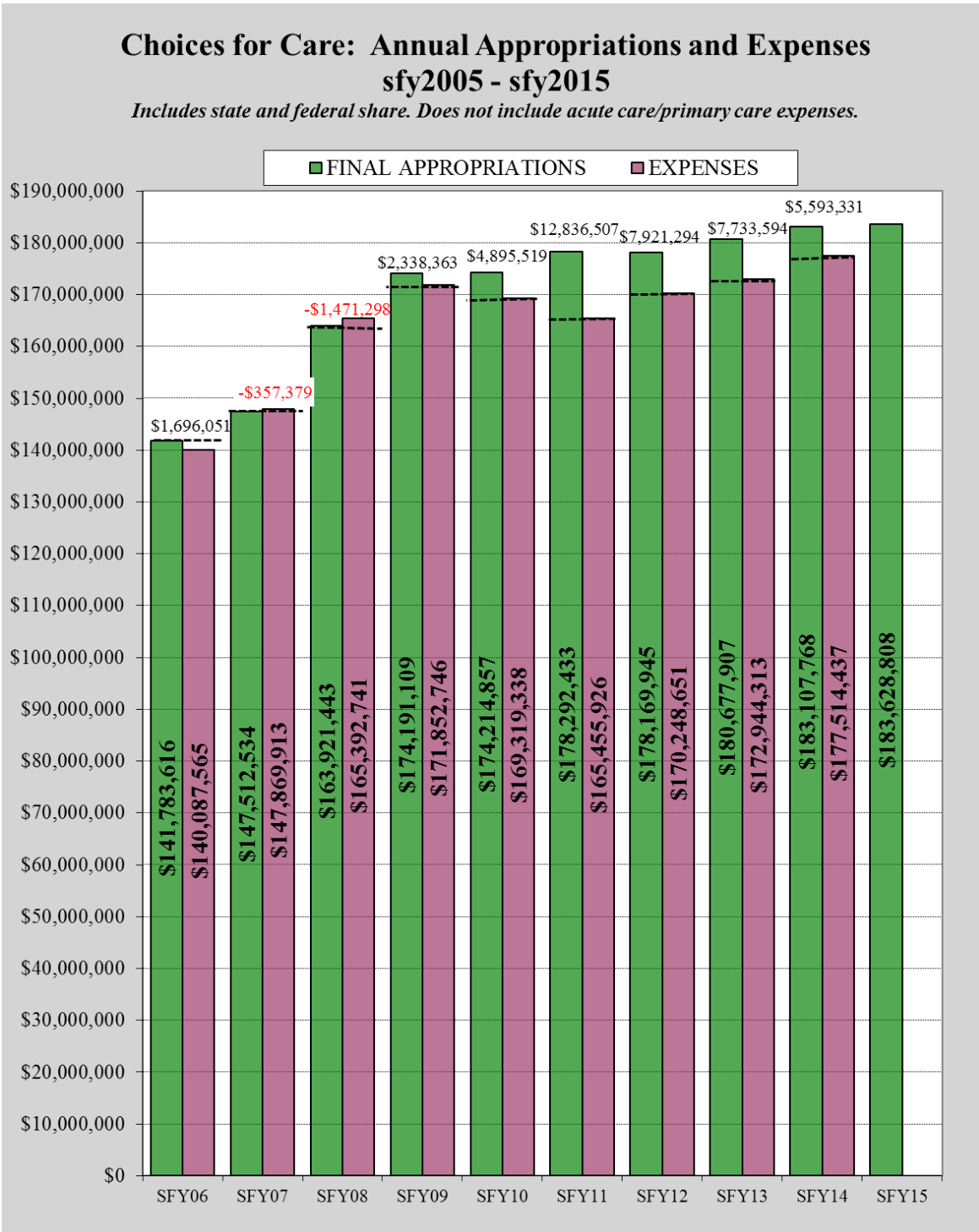
1. Individuals who require supervision or any physical assistance three (3) or more times in seven (7) days with any single ADL or IADL, or any combination of ADLs and IADLs;
 2. have impaired judgment or decision-making skills that require general supervision on a daily basis;
 3. require at least monthly monitoring for a chronic health condition; and/or
 4. whose health condition shall worsen if services are not provided or if services are discontinued;
- AND 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 (including but not limited to prescriptions, medications, physician bills, hospital bills, health insurance premiums, health insurance co-pays, medical equipment and supplies, and other out of pocket medical expenses.).

The graph below is consistent with this conclusion. Both the number of people served and the number of people waiting for Moderate Needs services have increased over time.



6. Manage Spending to Available Funding –

Recent financial reports show that Choices for Care spending has been less than the legislative appropriation:



Data source: DAIL business office

Savings (i.e. appropriated funds that were not expended within the fiscal year) are carried forward to support Choices for Care ‘reinvestments’. The following reinvestments were made in sfy2015, using sfy2014 carryforward funds:

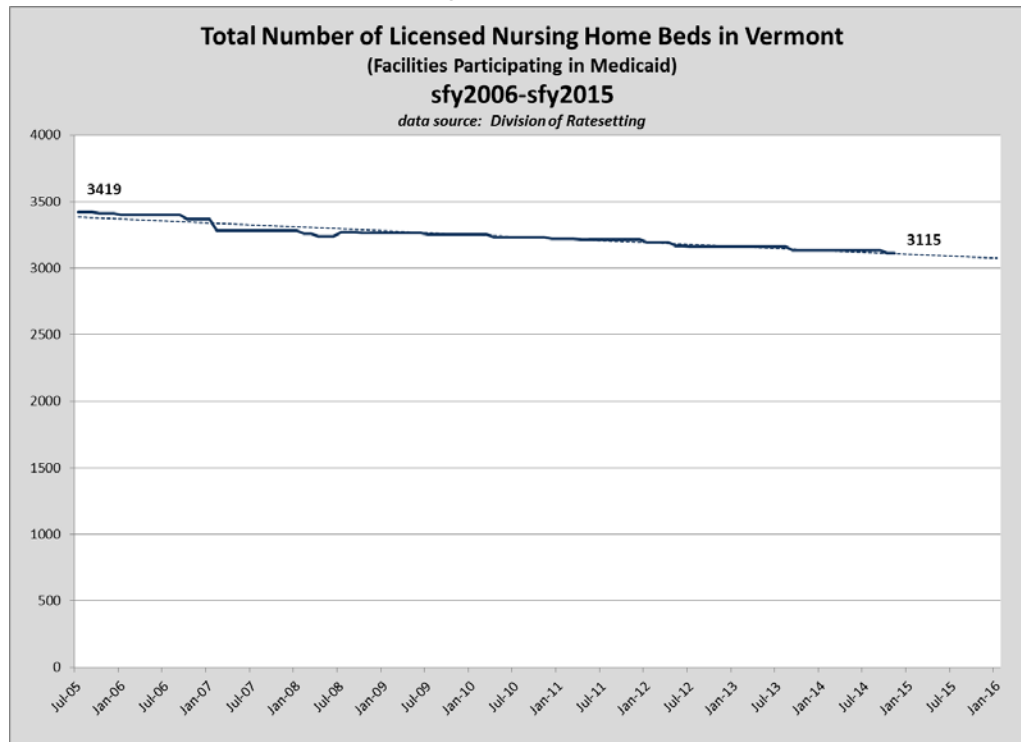
Department of Disabilities, Aging and Independent Living SFY15 Choices for Care Reinvestments (using SFY14 Carryforward funds)		Gross \$
	Carryforward from SFY14	\$6,347,586
	Choices for Care:	
1	August rescission to CFC carry-forward funds	\$1,614,884
2	CFC Contingency Fund at 1/2% (restore 50% August rescission)	\$887,573
3	Collective Bargaining Agreement (CBA): CFC Independent Direct Support Worker wage increases	\$816,726
4	CFC Moderate Needs investment over 2 years	\$2,502,384
	Other:	
5	One-time reinvestment in home modifications (\$206,896 GF)	\$475,514
6	One-time funding increase for SASH (\$50,505 Gross GC)	\$50,505
	TOTAL	\$6,347,586

Data source: DAIL business office

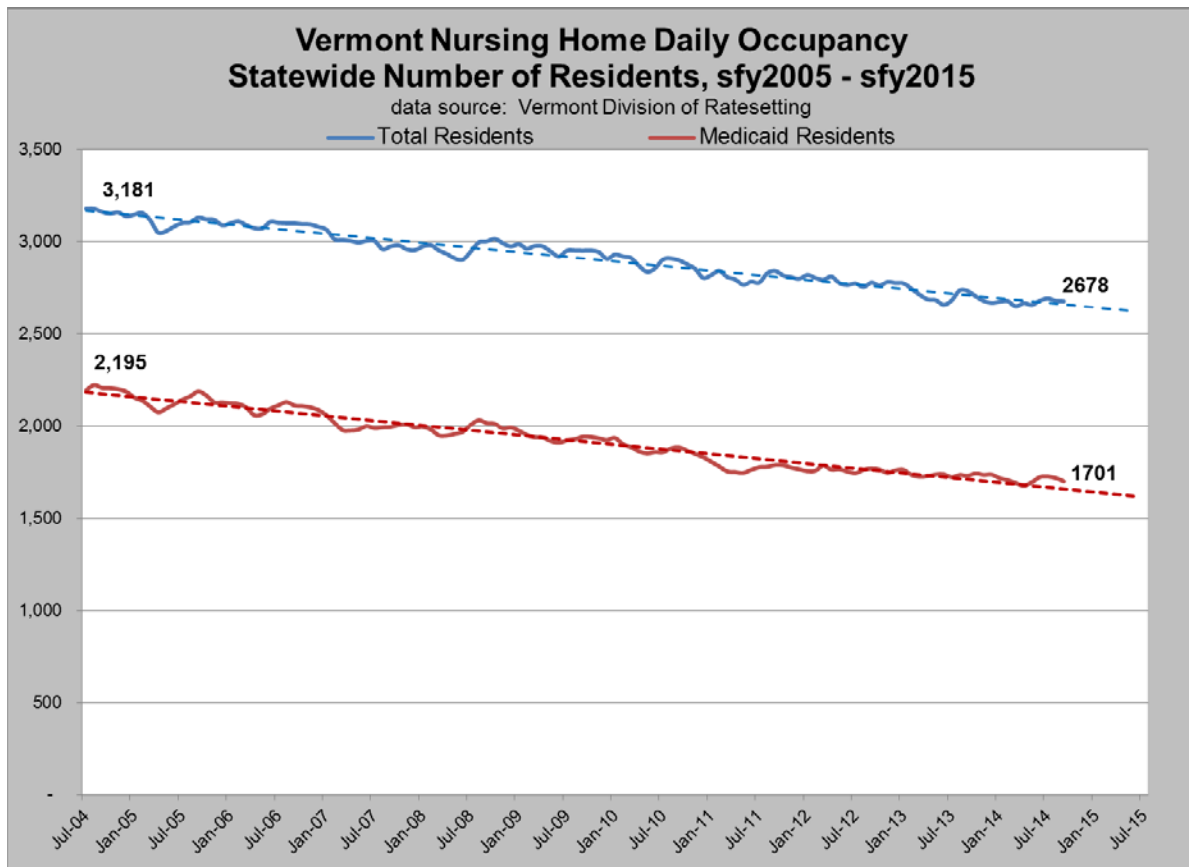
Choices for Care financial reports and other materials are available online at: <http://www.dail.vermont.gov/dail-publications>

7. Ensure an adequate supply of nursing home beds

While one goal of Choices for Care is to ‘shift the balance’, another goal is to ensure continued access to an adequate supply of high-quality nursing homes. The number of nursing home beds in Vermont has decreased:



And fewer people are using these nursing home beds:

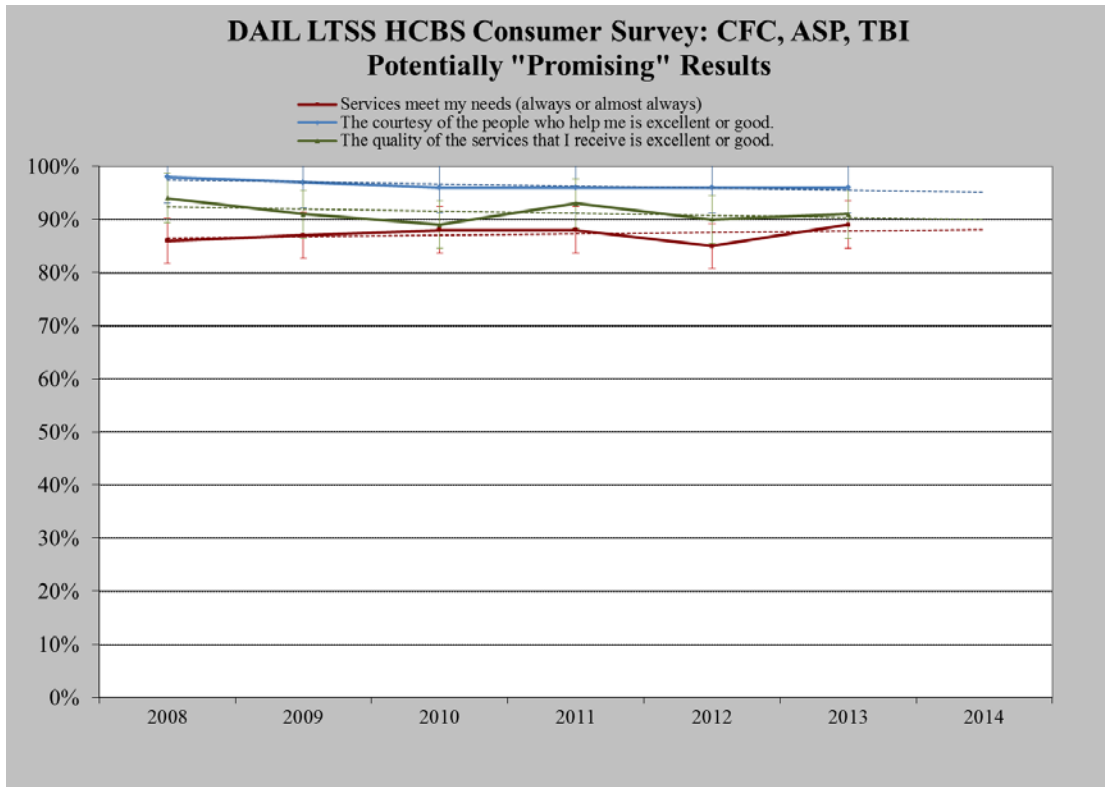


The state wide vacancy rate was 15% in October 2014 or 467 available beds.

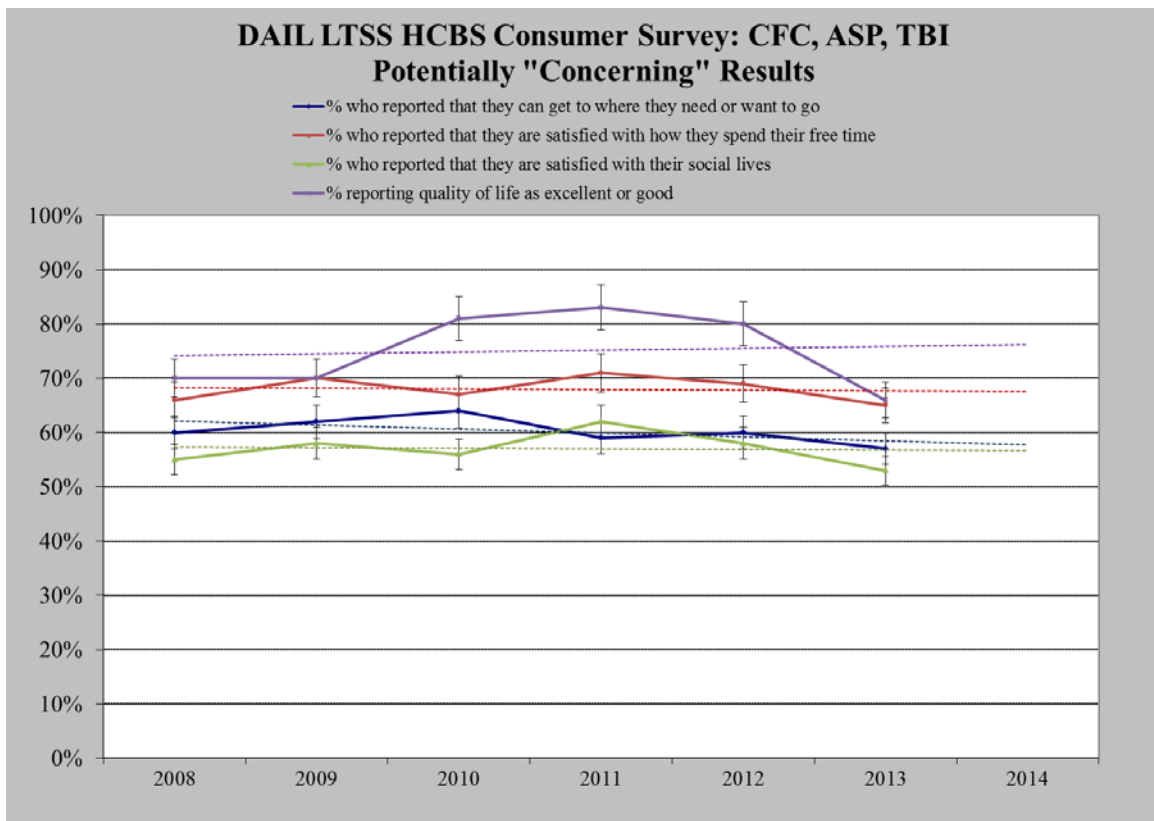
8. Ensure high quality services and support individual outcomes

The results of surveys of Choices for Care HCBS participants are generally positive. Consistent with recent recommendations from the state auditor, DAIL is now working with nursing home providers and enhanced residential care home providers to collect similar information from residents of these facilities.

Through surveys, a large majority of CFC HCBS participants report positive aspects of services, as shown below:



However, the surveys also suggest some opportunities for improvement:



Net increase CFC \$5.4M

Programs Managed by DAIL, but Appropriated to DVHA	
Choices for Care (CfC) 1115 Demonstration Waiver	
<i>(appears in DVHA's budget)</i>	
CFC Spending Plan - Each year, DAIL creates a spending plan year using the amount appropriated to the long-term care budget. This includes estimated expenditures for nursing homes, home- and community-based services and other Medicaid acute/primary care costs for Choices for Care participants.	
Once we have our final '16 budget, we will develop a plan for that fiscal year.	
SFY15 Base Appropriation (not including acute portion)	\$177,807,240
Statutory Nursing Home rate increases	\$3,200,000
2.5% Medicaid Rate Increases for 6 months – LTC H&CB Services (not including Moderate Needs)	\$813,634
H&CB caseload pressure (not including Moderate Needs)	\$1,820,000
Eliminate Enhanced Residential Care Case Management	(\$433,622)
Eliminate Adult Family Care Case Management	(\$26,684)
FY16 Recommend (not including acute care)	\$183,180,568

The Attendant Services Program (ASP) supports personal care services for adults with a “severe and permanent disability” who need physical assistance with activities of daily living (such as bathing, getting dressed and eating) to remain in their homes. People must be able to direct their own services. Medicaid covers services for those who are financially eligible for Medicaid coverage. A limited amount of State General Funds are also available for people who are not Medicaid eligible. However, in July of 2014, a budget rescission froze all new General Fund expenditures, both for new applicants and increased awards to current participants.

According to the 2013 Vermont Long-Term Care Consumer Survey Report, 97% of respondents receiving Attendant Services rated the quality of their services as excellent or good.

Freeze Attendant Services Program (Attrition of 4 consumers at \$25K each)	(\$100,000)
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**Summary of Changes from SFY 15 Budget to SFY 16 Proposed
Budget**

Total Change SFY15 to SFY16 Recommended Budget (Gross Dollars)	\$10,422,891
> DAIL SFY16 Ups & Downs	\$5,049,563
> DVHA SFY16 Ups & Downs (Long Term Care portion Choices for Care)	\$ 5,373,328
DAIL Administration & Support Section	
> Total SFY15 Base Appropriation	\$31,796,856
> SFY16 increase in Administration & Support	\$ 2,214,042
SFY16 Recommend	\$34,010,898
Positions: Current positions = 289 (295 employees as 6 positions are shared)	
Disabilites, Aging, and Independent Living – Aging and Adult Services Grants	
> Total SFY15 Base Appropriation	\$21,201,840
Proposed Changes:	
> Ombudsman Grant (Vermont Legal Aid) net neutral base fund adjustment from SFY15 Budget	\$ 0
> Direct Care Worker – Collective Bargaining Agreement funding (net-neutral with AHS CO) [BAA Item]	\$ 221,713
> SASH (BAA Item) \$50,505 covered by CFC Reinvestment Funds	\$ 50,505
> Eliminate SASH one-time funding by Reinvestment Funds	(\$50,505)
> Eliminate Adult Day (General Fund only Grants – approx. \$8K per Adult Day)	(\$115,710)
> Freeze Attendant Services Program (Attrition of 4 consumers at \$25K each)	(\$100,000)
> Senior Community Service Employment federal grant (moved to DAIL VR Grants – net neutral)	(\$647,534)
> Medicaid Provider Increase 2.5% for 6 months – Day Health Rehab Services (Adult Day)	\$26,846
> Medicaid Provider Increase 2.5% for 6 months – Attendant Services	\$18,750
SFY16 Recommend	\$20,605,905

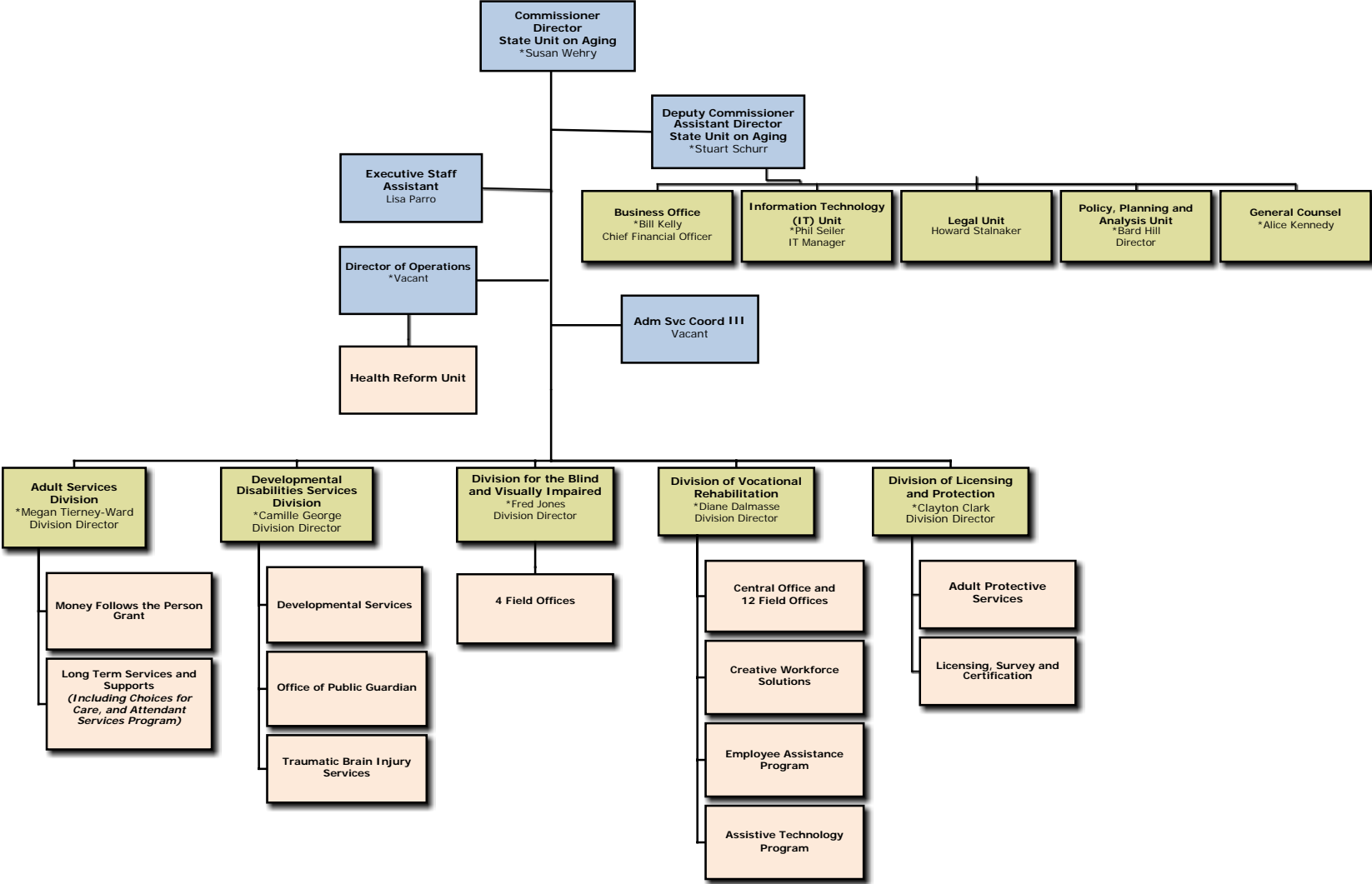
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> Reduce Older Blind Grant to VABVI [Vermont Assoc. for the Blind and Visually Impaired] (eliminate one Rehabilitation Teacher employed by VABVI – serves 200+ older blind Vermonters)	(\$42,000)
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<i>(appears in DVHA's budget)</i>	
CFC Spending Plan - Each year, DAIL creates a spending plan year using the amount appropriated to the long-term care budget. This includes estimated expenditures for nursing homes, home- and community-based services and other Medicaid acute/primary care costs for Choices for Care participants.	
Once we have our final '16 budget, we will develop a plan for that fiscal year.	
> SFY15 Base Appropriation (not including acute portion)	\$177,807,240
> Statutory Nursing Home rate increases	\$3,200,000
> 2.5% Medicaid Rate Increases for 6 months – LTC H&CB Services (not including Moderate Needs)	\$813,634
> H&CB caseload pressure (not including Moderate Needs)	\$1,820,000
> Eliminate Enhanced Residential Care Case Management	(\$433,622)
> Eliminate Adult Family Care Case Management	(\$26,684)
FY16 Recommend (not including acute care)	\$183,180,568

Department of Disabilities, Aging, and Independent Living (DAIL) Organizational Chart State Unit on Aging (SUA)



* = Identifies contacts for DAIL Senior Leadership

As of 01/22/2015