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Dear Chairwoman Kitchel and Committee Members,

Thank you for the opportunity to present DAIL's restated FY '21 budget. Below are follow-up responses to questions that came up during testimony. Please let me know if there are any additional questions we can answer. Thank you, Monica

DAIL Senate Appropriations Budget Testimony Follow-Up:

1. Sen. Ashe: What impact could DAIL have on increased DS wages for "front line" staff, with every \$250K found?
 - Without direct wage information from the Agencies, a basic calculation would indicate that \$250,000 could purchase a \$1/hour wage increase for approximately 120 front line workers without taking into account any fringe benefit calculations.
 - DAs/SSAs received \$2,841,338 in their last round of wage increases for front line workers in FY20 budget (including BAA) to increase average wages up to \$15/hour. Fiscal and worker data for this wage increase was provided by Vermont Care Partners.
 - DAIL does not maintain real time wage and front-line worker data in order to calculate financial impact to the DAs/SSAs or to their frontline workers. If requested, DAIL would engage Vermont Care Partners in that effort.
2. Sen. Westman: What funding do Adult Day Programs need to reopen? For those that may not be able to reopen, what can we do to encourage them to reopen?
 1. In July 2020, the Adult Day Industry reported average monthly operating costs of \$804,856 for twelve providers. (Not counting closed centers in Barre and Rutland.)
 2. Providers received \$2.45M in CRF to cover operating costs for July, Aug, and September 2020. Because providers had already received a prospective Medicaid Retainer payment for July in the amount of \$604,347, each adult day received \$53,181 above their estimated 3-month operating costs, which they could potentially use towards the cost of reopening during a pandemic.
 3. Adult Days reported that, in order to safely reopen, on average, they will need to reduce census by 50% to comply with infection control standards. (The actual % census reduction varies by site.)
 4. DAIL will not know until mid/late October whether there will be CRF carry forward from the first quarter based on reported actual costs for July - September.
 5. A rough estimate of unmet need to operate adult day at 50% census from October 1, 2020 through December 31, 2020 would be fixed costs of \$194,474 per month plus 50% of their estimated "normal" monthly staff wages/benefits \$305,691 for a total of \$500,165 per month or

\$1.5M for October, November and December 2020. DAIL plans to confirm estimates with the industry.

6. Two adult day centers reported they may not be able to reopen during the pandemic. It does not appear that a financial incentive would affect their decisions as it based on physical space and capacity within the area.
7. Additional note: Two adult day centers closed (Barre and Rutland). Both indicated that COVID-19 was not the cause for their closure and that they were having financial and census difficulties prior to the pandemic. These two centers are not included in the estimated need for CRF. However, if a new center reopens at 50% capacity in those two areas, they will likely require similar CRF support. It is too early to predict when that will happen although we are working with potential interested parties and with the local AAA's to consider options.