



**FY 2022 Budget Testimony
House and Senate Appropriations Committee
February 8, 2021**

I would like to start by thanking your committees for supporting CRF assistance for Adult Day programs last legislative session. We very likely would not be in existence without it. The 10 Adult Day programs across the state are committed to doing everything possible to make Vermont the best state in the nation to age in place – and to remain viable through this pandemic. Through our Adult Day Without Walls program, we continue, on a more limited basis, to provide whatever services we can to help prevent an increase in nursing home admissions (which also saves the state money). Once we re-open, we can continue helping individuals live at home and get the care they need, while allowing family and caregivers to have peace of mind, knowing their loved one is being cared for while they have some respite.

The Vermont Association of Adult Day Services (VAADS) is requesting, in the FY 2022 budget:

- (1) A one-time appropriation of \$5 million to address the anticipated low census once the programs reopen and**
- (2) A Medicaid reimbursement rate increase to \$24/hour**

1. One-Time Appropriation to Assist Adult Day Programs Upon Opening - \$5 million

Adult Day programs are looking forward to reopening. We are hopeful that, with the vaccine, we will be able to start reopening this summer. We do not anticipate being able to open at 100% capacity for quite a while, which necessitates our \$5 million request. Despite the fact that we will be serving participants in-person, the limited revenues will not cover the fixed costs.

2. Medicaid Reimbursement Rate Increase - \$24/Hour

Our current \$16.72/hour does not come close to meeting the needs of the participants we serve and to attract more qualified staff. Note that the majority of the Adult Day program participants receive Medicaid benefits. This increase will not only enable us to provide the services our participants need, it will enable us to pay our employees a more competitive salary, which will attract more qualified employees to serve the increasing high acuity needs of our participants. Our teams of skilled, caring staff and health care professionals provide health monitoring services, assistance with personal care needs, and therapeutic activities. Note that, because we are fee-for-service, Adult Day programs are not reimbursed when someone is absent, despite the fact that many expenses are still incurred (labor costs, overhead, etc.) We have many absences throughout the year due to the frailty of our participants, illness and our Vermont winters. The increased reimbursement rate will assist with those frequent revenue losses.

Thank you for considering our request.