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Testimony to the Senate Committee on Health and Welfare
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February 3, 2022

What is the Moderate Needs Group (MNG) Program?

The Choices for Care "Moderate Needs Group" program is an option for individuals who do not meet nursing home level of care but may benefit from one or more services to assist them to remain independent in their home. The Moderate Needs option is not an "entitlement" like Choices for Care High/Highest and is limited by available funds.

Who is eligible for the Moderate Needs Group Program?

To be eligible for Moderate Needs Group program an individual must:

- Be a Vermont resident aged 18 or older who meets both clinical and financial eligibility criteria;
- Have a functional limitation resulting from a physical condition (including stroke, dementia, traumatic brain injury, and similar conditions) or associated with aging.

NOTE: Individuals are not eligible if they have a need for a Moderate Needs Group service that can be effectively met with existing Medicare, Medicaid, or other insurance covered services.

<u>Clinical Eligibility</u>
Individuals must meet at least one of the criteria below:

1. Individuals who require supervision or any physical assistance three (3) or more times in seven (7) days with any single Activity of Daily Living (ADL) or Instrumental Activity of Daily Living (IADL), or any combination of ADLs and IADLs.
2. Individuals who have impaired judgment or decision-making skills that require general supervision on a daily basis.
3. Individuals who require at least monthly monitoring for a chronic health condition.
4. Individuals whose health condition shall worsen if services are not provided or if services are discontinued.

Financial Eligibility

Income Eligibility Standard: Adjusted monthly income of the individual (and spouse, if any) must be 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.

Countable Resources: A maximum of $10,000 in countable resources is allowed. Countable resources includes cash, savings, checking, certificates of deposit, money markets, stocks, bonds, trusts, etc.

How do people apply and enroll?

DAIL partners with the Choices for Care case management agencies to enroll individuals.

- Moderate Needs applications are sent to a certified Case Management Agency, which includes Home Health Agencies and Area Agencies on Aging.
- After the case manager receives the Moderate Needs application, the case manager completes an assessment and clinical and financial eligibility screening.
- The case manager works closely with the Homemaker, Adult Day and Flexible Funds provider agencies to verify available funds and wait list information.
- A complete Moderate Needs application packet is submitted to DAIL for authorization when the individual is ready to be enrolled.
- If funds are not available, individuals will be placed on a wait list with the applicable service provider in chronological order.

What services are provided through the Moderate Needs Group program?

- Case Management – up to 24 hours per calendar year via the local AAA or Home Health Agency. Individuals are not enrolled onto the Moderate Needs program for case management services only.
- Homemaker – up to 6 hours per week via the local Certified Home Health Agency.
- Adult Day – up to 50 hours per week.
- Flexible Funds – Small amount of flexible spending funds through the chosen case management agency. Limited by available funds.

NOTE: Individuals do not automatically get the maximum number of hours or flexible funds. The volume of services and amount of funds is based on the identified needs of the individual, as determined by the case manager, service provider and individual.

What is the current status of the Moderate Needs Group?

MNG served 1220 people total in State Fiscal Year 2021. According to paid claims, approximately $3.6 million was spent on MNG services in SFY21. As of 1/3/2022, there

are 1,024 active participants. About 85% of participants are age 60 and older. Their average time on the program is 11 years.

The total MNG budget for SFY22 is $6,228,184. Funding is allocated to providers by formula. Providers must then manage participation/services under their funding allocation cap. See allocations to providers in the ASD Rate Table (vermont.gov). Depending on spending and utilization throughout the year, DAIL can adjust allocations between providers.

Given the broad clinical and financial eligibility, many more people are eligible for MNG services than there is funding or staffing available to serve. Providers manage the waiting list at the local level and report their list to DAIL monthly. At any given time, there may be 500 to 700 people on the waiting list statewide. Based on agency reporting to date, the waiting list was 563 as of 12/31/2021.

Recent Program Changes:
Case management is an important component of MNG. Effective July 1, 2019, DAIL increased the maximum number of case management hours from 12 to 24 per year due to significantly increased variance requests for individuals with higher needs.

In December 2021, as part of Choices for Care Reinvestments, DAIL increased the MNG Homemaker rate from $22.16 to $30.84 to match Choices for Care Personal Care rate at Home Health Agencies, something the agencies had requested for many years. The goal is to maintain consistency for staff skills crossover between services, to increase recruitment/retention of homemaker staff, to off-set high cost of staff mileage costs between visits and the higher rate of missed visits.

Current Changes in Process:
As part of the Global Commitment Waiver renewal application to CMS, Vermont has asked for a small but important change to MNG program eligibility. In the renewal period, Vermont seeks to revise the eligibility criteria to ensure that services are targeted to at-risk Vermonters with the most acute needs by removing the broadest criteria (numbers 3 and 4 above) and adding a new criterion for eligibility as follows: “unique circumstances: health and welfare at imminent risk without services; health condition would worsen without services.” (See pages 16-17 here: VT-Global-Commitment-Renewal-Final-6.30.2021.pdf (vermont.gov)

DAIL is also working with a provider workgroup to revise the management of the MNG waiting list, which is currently a chronological list based on application date and adjusting it to take into consideration the acuity of care needs of individuals when they apply.

What Are the Challenges and Opportunities in the Moderate Needs Group Program?

Workforce:
Managing allocations and waiting lists is an ongoing challenge, but currently the direct care workforce shortage is the major challenge for our long-term care home- and community-based services system. Many Home Health Agencies are not able to find enough staff to fill the hours for homemaker services and must instead prioritize personal care services for Choices for Care High/Highest participants; even those participants are often receiving fewer hours of care than they are authorized to receive. Adult Day Centers have limited capacity as well due to staffing shortages, and case management staff are stretched with high caseloads. With the Flexible Funds option, agencies try to be creative in meeting needs and filling gaps without direct care workers, for example through laundry services, grocery delivery, use of assistive technology, etc., but there are still unmet needs.

It is difficult to see how the current program model could simply be expanded with such real workforce challenges across the long-term care system. This could be an opportunity to reimagine MNG operations to seek different ways to serve more people, expand service options, decrease administrative burden for both program and provider staff, etc. For example, perhaps all MNG could be Flexible Funds, with an option to purchase homemaker, adult day services or other services that meet the individualized needs of the participant. Perhaps eliminating the requirement that case management cannot be provided without other services would help more people with the care coordination they need. Any potential changes to program operations would need to be considered within the context of the waiver as well as impacts on budget and would utilize a person-centered approach focused on addressing unmet needs.

Evidence of Outcomes:
While it is assumed that MNG services prevent or delay the need for higher level of care and higher costs of care, and that is certainly the intent, DAIL does not have data on health or quality of life outcomes for MNG participants that can speak to the program's ability to save healthcare dollars or prevent/delay the need for more intensive care. We know the services are valuable, but it is difficult to make any strong conclusions about cost savings or cost avoidance. DAIL does not have the capacity to undertake such research, nor is it clear that such research is needed.

Evidence-Based Programs and Caregiver Support:
If there were resources to embed more evidence-based interventions into MNG or make these connections more explicit for participants, this could be beneficial. There are a number of programs designed for older adults to address chronic disease, chronic pain, physical activity, mental health, substance use and caregiver support with positive outcomes proven through research. Especially in this time of workforce shortage, evidence-based programs to support family caregivers have the potential to support a greater number of Vermonters living in community. More about evidence-based programs approved by the Administration for Community Living (ACL) can be found here: The National Council on Aging (ncoa.org). Specific evidence-based family caregiver support programs can be found here: Programs for Advance Care Planning, Care Transitions, and Caregiver Support (ncoa.org).

AHS has requested appropriations from the State legislature to implement the HCBS Enhanced FMAP Spending Plan which will allow us to collect data about unmet needs and pilot additional supports or programming. This includes a contractor that will develop a stakeholder engagement plan and interview and/or survey individuals with HCBS needs and their families to understand the unmet needs and experiences of care across the care continuum and opportunities for system improvements. This information will inform HCBS Spending Plan implementation strategies, including targeted approaches to pilot services to those who are most in need. AHS will design grant opportunities and funding criteria that are responsive to known needs and learnings from the contractor. For example, grants could be provided to community organizations to disseminate evidence-based programs to MNG participants and their family caregivers.

As the committee considers S.285 and potential expansion of the Blueprint for Health and Moderate Needs Group services, it will be important to consider these cohesively as they have similar goals for supporting care coordination and preventing higher cost care. MNG may not be the best vehicle to meet everyone's needs but coupled with other care coordination programs, has the potential to serve Vermonters better.

Questions about this testimony can be directed to Angela Smith-Dieng, angela.smith-dieng@vermont.gov.