



**Vermont  
Association of  
Area Agencies  
on Aging**

### **Contact**

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### **Vermont Association of Area Agencies on Aging Testimony-House Committee on Human Services**

**RE: H.13**

**January 29, 2025**

I am Mary Hayden, Executive Director of the Vermont Association of Area Agencies on Aging representing Vermont's five area agencies on aging. Thank you for the opportunity to testify concerning H.13, An act relating to Medicaid payment rates for home and community-based service providers and designated and specialized service agencies.

#### **Area Agencies on Aging**

There are five Area Agencies on Aging in Vermont, covering the entire state. AAAs are experts at coordinating free social health-related supports to enable older Vermonters and individuals with disabilities to age well at home and in the community. Services include Case Management (Long-Term Support Services Coordination), administration of the state's Older Vermonter Nutrition Programs such as Meals on Wheels and Community Meals, Caregiver Supports, Information and Referrals, HELPLINE, Medicare and Health Insurance Counseling and Education, outreach and application assistance for benefits such as state pharmacy, Medicare low-income savings, housing, fuel assistance, 3SquaresVT, and Wellness Activities and Programs. Some Case Management, home-delivered meals, and caregiver services are provided under Medicaid and the Older Americans Act (OAA). Other services come under federal grants received through DCF Economic Services. We are regulated primarily by DAIL at the state level.

V4A is a member of the Long-Term Care Crisis Coalition and supports the coalition's request to fully implement the increases for home-based Choices for Care and Enhanced residential care from DHVA's 2023 rate study, as well as an inflationary adjustment to all long-term care reimbursement rates in the FY26 Budget.

AAAs strongly support the underlying purpose of H.13 "to require the Secretary of Human Services to determine reasonable and adequate Medicaid payment rates for providers of home- and community-based services." As Medicaid providers of Choices for Care case management, AAAs qualify older Vermonters for clinical and financial eligibility for home and community-based services, creating long-term care plans to support clients to be able to stay at home, or in the setting of their choice. Services include home health, personal care, and moderate direct care services such as homemaking and chore services, and much-needed respite for family caregivers such as Adult Day Centers. Rates of pay impact AAAs' ability to hire and retain case management staff and to find workers needed to fulfill long-term care plans for older Vermonters.

The home and community-based system of care was created for people to receive the services they need while living in the setting of their choice, whether at home or in another community setting. The system was

also supposed to create cost savings across the long-term care system to avoid far more expensive healthcare interventions, such as nursing home and hospital admissions. But historical underfunding of the long-term care workforce coupled with an unprecedented shortage of workers has brought us to the brink of a crisis. Other payers in our system benefit from rate setting, putting Home- and community-based providers and those needing their services in an unfair position.

AAAs have a front row seat to seeing the consequences to Vermonters when these long-term care plans cannot be fulfilled or are delayed due to a shortage of workers available to deliver services under the care plan. Clients may slide into needing more serious and costly healthcare interventions if services are delayed. Some clients have waited years for services, resulting in deterioration in health and, in some cases, the loss of housing. Not only are some older Vermonters denied the choice of where to live, but the severe workforce shortage also overburdens a healthcare system unable to absorb the strain.

Aligning these rates of pay for these critical services with market realities through annual rate studies will go a long way toward improving older and disabled Vermonter's access to home and community-based services.

Thank you for the opportunity to testify today in support of H.13.