
**Report to
The Vermont Legislature**

**Report on:
Choices for Care Savings**

**In Accordance with 33 V.S.A. §7602
Title 33, Chapter 76, §7602
CFC: Calculating and Allocating Savings**

**Submitted to: Joint Fiscal Office
House Committee on Appropriations
House Committee on Human Services
Senate Committee on Appropriations
Senate Committee on Health and Welfare**

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Report Date: November 14, 2019



AGENCY OF HUMAN SERVICES
Department of Disabilities, Aging and Independent Living

33 V.S.A. § 7601 charges the Department of Disabilities, Aging and Independent Living (DAIL) to determine the amount of available savings in the Choices for Care program annually. As required, the following is a summary of the relevant statute and requirements and final information about the SFY'19 Choices for Care available savings.

Savings is defined as “the difference remaining at the conclusion of each fiscal year between the amount of funds appropriated for Choices for Care and the sum of expended and obligated funds, less an amount equal to one percent of that fiscal year’s total Choices for care expenditure.” The one percent (1%) is intended to “function as a reserve to avoid implementing a High Needs wait list due to unplanned Choices for Care budget pressures throughout the fiscal year.”

Additionally, the Department is required to “calculate savings and investments in Choices for Care” and report those to the Joint Fiscal Committee and the House Committees on Appropriations and Human Services and to the Senate Committees on Appropriations and Health and Welfare by September 15th of each year.

As per the requirement in 33 V.S.A. § 7601, we are reporting that in State Fiscal Year 2019, there was \$263,065 in savings available to reinvest in the Choices for Care program. Our Choices for Care close out summary for SFY 2019 has been attached to this report to offer additional documentation.

In reviewing needs within the Choices for Care program, we identified the current cap of 12 hours of case management annually in the Moderate Needs Program as a significant barrier to quality care for individuals in that program. Moderate Needs is designed as a program which supports limited in-home care, homemaking and adult day services for individuals who do not qualify for a nursing-home level of care. As a program, it supports individuals to stay at home longer and to avoid higher levels of care. The cap on case management hours over the course of several years has been not adequate to meet the needs of Moderate Needs participants as demonstrated by the high volume of variance requests that have been reviewed and approved by the State each year. With a modest investment, we believe that raising the case management services cap from 12 hours annually to 24 hours annually enables providers to meet the needs of those individuals who might require additional case management.

Based on that information and analysis, as of 7/1/19 the Choices for Care savings of \$263,065 was reinvested in increasing the annual Moderate Needs Case Management cap on hours from 12 to 24.

Choices for Care Year End Summary - SFY19						
CFC is managed as one budget, categories are estimated but funding is fluid within them.						
DeptID - 34100160000						
					State Share Amt	State Share converted to
	SFY19	SFY19	Balance of SFY19 Approp		as of FY19 Year End	Gross GC Amt
	Plan\$ Available	Expend and	by fund			Available For
	(Final Appropriation)	Obligated				CF/Savings Reinvestment
H&CB Money Follows the Person General Fund	\$ 650,292.33	\$ 177,465.45	\$ 472,826.88	\$ 472,826.88	\$ 541,946.67	\$222,826.88 General Fund balance being carried forward to SFY20 - staying as General Fund for H&CB Money Follows the Person obligations.
H&CB Money Follows the Person Federal Fund	\$ 1,100,000.00	\$ 589,362.83	\$ 510,637.17	\$ -	\$ -	
H&CB Global Commitment Fund	\$ 76,230,406.00	\$ 76,856,121.91	\$ (625,715.91)	\$ (289,143.32)	\$ (626,801.04)	
Nursing Home Global Commitment Fund	\$ 131,762,137.00	\$ 129,348,687.14	\$ 2,413,449.86	\$ 1,115,255.18	\$ 2,417,635.34	
Choices for Care Subtotal all funds	\$ 209,742,835.33	\$ 206,971,637.33	\$ 2,771,198.00	\$ 1,298,938.74	\$ 2,332,780.96	GC Carryforward from SFY19 into SFY20 available before obligations.
					\$ -	
NOTES					\$ 2,332,780.96	Carryforward is less than 1/2 of 1% of budget.
					\$ 2,069,716.37	1% reserve requirement, calculated by taking 1% of SFY19 expenses (if available)
					\$ 263,064.59	amount available for "reinvestment"
						Used for Reinvestment into Moderate Needs Case Management 12-24 hours.