
**Report to
The Vermont Legislature**

**Interim Report on Developmental Services
and Choices for Care**

In Accordance with 2015 Acts and Resolves No. 58, An act relating to making appropriations for the support of government, Section E.329.

Submitted to: Senator Jane Kitchel, Chair
Representative Janet Ancel, Vice-Chair
Senator Diane Snelling, Clerk
Senator Tim Ashe
Senator Claire Ayer
Representative Carolyn Branagan
Representative Bill Lippert
Representative Mitzi Johnson
Senator Dick Sears
Representative David Sharpe
Joint Fiscal Committee

CC: Hal Cohen, Secretary
Agency of Human Services

Submitted by: Monica Caserta Hutt, Commissioner
Department of Disabilities, Aging and Independent Living

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Report Date: September 15, 2015

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This report is submitted to the Joint Fiscal Committee in accordance with Act 58 of 2015:

“Sec. E.329 INTERIM REPORT ON DEVELOPMENTAL DISABILITIES SERVICES AND CHOICES FOR CARE

(a) The Commissioner of Disabilities, Aging, and Independent Living shall provide interim reports to the Joint Fiscal Committee in September 2015 and November 2015 on:

(1) The Choices for Care program and shall specifically address the likelihood of Adult Day programs needing to curtail services to existing clients or to cap enrollment of new clients.

(2) The Development Disabilities Services program on the status of caseload and utilization trends to date in the program.

(b) Reports from the Vermont Association of Adult Day Services and the Vermont Council of Developmental Disabilities and Mental Health Services with input from their service recipients shall be accepted by the Joint Fiscal Committee concurrent with the reports received under subsection (a) of this section.”

A. Choices for Care Adult Day Services

Overall, on a cash basis, after two months Choices for Care spending in sfy2016 is \$1,264,309 under plan; Moderate Needs Group spending is \$120,000 under plan. It is worth noting that two months is inadequate to determine an estimate or trend for the entire fiscal year.

Choices for Care Moderate Needs Group services were expanded in SFY14-SFY15 with \$3.0 million Choices for Care reinvestments. This expansion was intended to help reduce regional wait lists and to create a 'flexible funds' option for people who want to hire their own caregivers or to purchase a limited amount of other services to meet their needs in more flexible ways, such as transportation to Adult Day.

This expansion created a 25% growth in Moderate Needs services statewide and an overall 17% increase in Adult Day Moderate Needs spending. However, the reinvestments funds were not continued in the SFY16 budget, which created a funding problem for some agencies that had significantly increased their Moderate Needs enrollments during SFY14 and SFY15.

Based on claims submitted by Adult Day providers between January 1, 2015 and June 30, 2015, DAIL staff estimate that Adult Day providers will spend about \$256,100 more than the SFY16 Moderate Needs allocations. Therefore, following previous legislative language, DAIL plans to distribute \$256,100 of the SFY15 CFC carry forward funds to off-set Moderate Needs losses for six Adult Day providers to prevent current participants from being disenrolled or a reduction in services. (Similarly, DAIL plans to distribute \$25,381 in additional Moderate Needs Group funding to two Area Agencies on Aging, and \$781,267 in additional Moderate Needs Group funding to seven Home Health Agencies.)

With the new Moderate Needs allocations of SFY15 carry forward funds, the availability of funding for High/Highest Needs Group services and Day Health Rehabilitation Services, and the low number of people reported by providers to be waiting for Adult Day services (21 statewide), DAIL staff do not anticipate the likelihood of Adult Day programs needing to curtail services to existing clients or to cap enrollment of new clients.

Due to the inclusive eligibility criteria for the Moderate Needs Group, the large number of Vermonters who are estimated to meet these criteria, and limited Moderate Needs Group funding, DAIL staff do expect waiting lists to continue to exist for other Moderate Needs Group services.

Figures 1-3 on the following pages provide detail regarding Adult Day funding, service utilization, and waiting lists.

Figure 1: Adult Day Moderate Needs Group Funding, Carry Forward, and Provider Caps

<u>Provider</u>	<u>Initial Mod Needs Caps SFY16</u>	<u>Projected Spending SFY16</u>	<u>Additional Carry Forward Funds Based on Projected Claims</u>	<u>Revised Caps SFY16</u>
Bennington Project Independence	\$141,659	\$157,511	\$15,852	\$157,511
Brattleboro Area Adult Day Services	\$134,072	\$110,234	\$0	\$134,072
CarePartners	\$129,694	\$200,015	\$70,321	\$200,015
Elderly Services, Inc.	\$272,700	\$348,245	\$75,545	\$348,245
Gifford Medical Center and Barre Project Independence	\$190,300	\$165,398	\$0	\$190,300
Green Mountain Adult Day Services	\$10,607	\$0	\$0	\$10,607
Meeting Place	\$48,264	\$54,134	\$5,869	\$54,134
Out & About (Lamoille)	\$155,523	\$127,905	\$0	\$155,523
Oxbow Senior Independence Program,	\$25,360	\$36,521	\$11,161	\$36,521
Riverside Life Enrichment Center	\$121,863	\$71,895	\$0	\$121,863
Rutland Community Programs, Inc.	\$39,059	\$33,849	\$0	\$39,059
Springfield Hospital	\$172,800	\$141,957	\$0	\$172,800
VNA of Chittenden and Grand Isle	\$243,086	\$320,436	\$77,350	\$320,436
Total	\$1,684,987	\$1,768,100	\$256,100	\$1,941,087

Source: Medicaid paid claims by dates of service, August 2015; DAIL provider allocations.

Figure 2: Adult Day Service Utilization by Type of Funding

	SFY2013 7/1/12-6/30/13	SFY2014 7/1/13-6/30/14	SFY2015 7/1/14-6/30/15	Difference SFY14>SFY15
Adult Day CFC Moderate Needs*				
Total payments	\$1,551,983	\$1,483,702	\$1,730,829	17%
Total units of service	415,179	389,375	450,252	16%
Average people served per month	130	130	143	10%
Average hours per person/per month	67	62	66	5%
Adult Day CFC High/Highest Needs				
Total payments	\$3,066,392	\$3,308,580	\$2,867,314	-13%
Total units of service	824,665	869,505	744,995	-14%
Average people served per month	211	231	206	-11%
Average hours per person/per month	81	78	75	-4%
Medicaid Day Health (DHRS)				
Total payments	\$1,917,438	\$1,961,868	\$2,136,624	9%
Total units of service	517,122	517,507	559,439	8%
Average people served per month	141	143	153	7%
Average hours per person/per month	77	76	76	1%
TOTAL				
Total payments	\$6,535,813	\$6,754,150	\$6,734,767	0%
Total units of service	1,756,966	1,776,387	1,754,686	-1%
Average people served per month	482	504	502	0%
Average hours per person/per month	76	73	73	-1%

Source: Medicaid paid claims by dates of service, August 2015; Units are 15 minutes.

* Moderate Needs Group services are limited or 'capped' by provider allocations

Figure 3: Moderate Needs Group Waiting Lists by Adult Day Provider

Provider	Jun-13	Jun-14	Aug -15
Barre Project Independence	31	0	0
Bennington Project Independence	0	0	8
CarePartners Adult Day Center	0	0	3
Elderly Services, Inc.	8	0	10
Gifford Medical Center Adult Day Center	4	0	0
Green Mountain Adult Day Svc of Orleans County	0	0	0
Interage Adult Day Services	0	0	0
Out & About/Riverside	0	0	0
Oxbow Senior Independence Program	3	0	0
Riverside Life Enrichment Center	0	0	0
Springfield Area Adult Day Services	0	0	0
The Gathering Place	0	0	0
The Meeting Place	0	0	0
VNA Chittenden/Grand Isle Adult Day	0	0	0
TOTAL Adult Day Wait List	46	0	21

Source: Provider reports submitted to DAIL.

B. Developmental Disabilities Services

The Developmental Disabilities Services caseload utilization report (Figure 4, below) is a budget-to-actual report indicating how much DDS caseload funding has been approved and allocated each month to DDS providers via the two funding committees, Equity and Public Safety. The approved funding is measured against the monthly plan (budgeted amount) each month and forecasts the DDS caseload balance at year end. The utilization report is a tool used by DAIL staff to monitor the utilization of DDS caseload. This tool is comprised of two sections:

- 1) The top section tracks the actual monthly caseload spending compared to our spending plan. Regular DDS caseload and public safety caseload are tracked separately. The total funds budgeted for each category are as follows:
 - a) Regular Caseload: \$11,660,169 (\$6,577,767 of newly appropriated caseload for SFY16, \$4,098,165 of estimated returned caseload already in the base appropriation, and \$984,237 of unutilized DDS caseload left from SFY15).
 - b) Public Safety: \$3,040,953 (\$2,485,857 of newly appropriated caseload for SFY16 and \$555,096 of estimated returned caseload already in the base appropriation).
- 2) The bottom section tracks the caseload ('returned' caseload funds already in the base appropriation) or "revenue" that becomes available due to DDS services being terminated for various reasons like death, moving out of state, etc. When DAIL calculates an estimated DDS caseload pressure for the Governor's Recommend, we must first estimate how much caseload can be covered by the base appropriation. This "revenue" estimate used in building the caseload spending plan is tracked because fluctuations from the estimated amounts will negatively or positively affect the overall DDS caseload utilization forecast.

Through two months of state fiscal year 2016, the following DDS caseload utilization report reads as follows:

- a) APPROVALS: DAIL has approved funding at \$200,260 below the planned amount.
- b) REVENUES: DAIL has available for re-allocation \$467,848. This is \$307,696 less than the planned amount through two months. Historically, revenues are slightly behind in the early months of the fiscal year and then increase over the course of the year.
- c) SUMMARY: If the total spending AND total revenue equal the monthly plan amounts for the remainder of SFY16, DAIL will have over-allocated the available annualized funding by \$107,435.

Conclusion: It is worth noting that two months is inadequate to determine an estimate or trend for the entire fiscal year. With that said, DDS Caseload spending is not materially off from planned spending.

Figure 4: Developmental Disabilities Services caseload utilization report

Equity Fund Committee Fund Approval Summary - Funds Available Compared to Funds Approved (Annualized)							
8/27/2015							
FY16 Funds	\$ 11,660,169		\$ 3,040,953				
APPROVALS	New Caseload-Equity-HS Gr		Public Safety		Total Plan	Total Approved	over/(under)
	Plan	Approved	Plan	Approved			
May-15	\$ 499,997	\$ 499,997	\$ 34,633	\$ 34,633	\$ 534,630	\$ 534,630	0
Jun-15	\$ 533,342	\$ 533,342	\$ 118,913	\$ 118,913	\$ 652,255	\$ 652,255	0
Jul-15	\$ 752,295	\$ 1,032,025	\$ 199,144	\$ -	\$ 951,439	\$ 1,032,025	80,586
Aug-15	\$ 912,795	\$ 827,636	\$ 268,917	\$ 73,230	\$ 1,181,713	\$ 900,866	(280,847)
Sep-15	\$ 1,044,727	\$ -	\$ 148,362	\$ -	\$ 1,193,089	\$ -	0
Oct-15	\$ 811,235	\$ -	\$ 466,231	\$ -	\$ 1,277,466	\$ -	0
Nov-15	\$ 808,480	\$ -	\$ 536,900	\$ -	\$ 1,345,379	\$ -	0
Dec-15	\$ 619,664	\$ -	\$ 410,107	\$ -	\$ 1,029,771	\$ -	0
Jan-16	\$ 846,405	\$ -	\$ 124,358	\$ -	\$ 970,763	\$ -	0
Feb-16	\$ 718,404	\$ -	\$ 134,361	\$ -	\$ 852,765	\$ -	0
Mar-16	\$ 704,306	\$ -	\$ 131,877	\$ -	\$ 836,182	\$ -	0
Apr-16	\$ 854,394	\$ -	\$ 235,567	\$ -	\$ 1,089,960	\$ -	0
May-16	\$ 1,762,049	\$ -	\$ 50,152	\$ -	\$ 1,812,201	\$ -	0
Jun-16	\$ 792,076	\$ -	\$ 181,431	\$ -	\$ 973,508	\$ -	0
	\$ 11,660,169	\$ 2,893,000	\$ 3,040,953	\$ 226,776	\$ 14,701,122	\$ 3,119,776	(200,260)
REVENUE	Equity Revenue		Public Safety - Revenue		Total Plan	Total Received	over/(under)
	Plan	Received	Plan	Received			
Jul-15	\$ 341,514	\$ 238,166	\$ 46,258	\$ -	\$ 387,772	238,166	(149,606)
Aug-15	\$ 341,514	\$ 216,523	\$ 46,258	\$ 13,159	\$ 387,772	229,682	(158,090)
Sep-15	\$ 341,514	\$ -	\$ 46,258	\$ -	\$ 387,772	0	0
Oct-15	\$ 341,514	\$ -	\$ 46,258	\$ -	\$ 387,772	0	0
Nov-15	\$ 341,514	\$ -	\$ 46,258	\$ -	\$ 387,772	0	0
Dec-15	\$ 341,514	\$ -	\$ 46,258	\$ -	\$ 387,772	0	0
Jan-16	\$ 341,514	\$ -	\$ 46,258	\$ -	\$ 387,772	0	0
Feb-16	\$ 341,514	\$ -	\$ 46,258	\$ -	\$ 387,772	0	0
Mar-16	\$ 341,514	\$ -	\$ 46,258	\$ -	\$ 387,772	0	0
Apr-16	\$ 341,514	\$ -	\$ 46,258	\$ -	\$ 387,772	0	0
May-16	\$ 341,514	\$ -	\$ 46,258	\$ -	\$ 387,772	0	0
Jun-16	\$ 341,514	\$ -	\$ 46,258	\$ -	\$ 387,772	0	0
	\$ 4,098,165	\$ 454,689	\$ 555,096	\$ 13,159	\$ 4,653,261	\$ 467,848	(307,696)

Forecasted Ending Balance per Spending Plan \$ (107,435)

ACTUAL FUND BALANCES - FY16		
	Equity Fund	Public Safety
New Funds in FY16	\$7,562,004	\$2,485,857
Expenditures	\$ 2,893,000	\$ 226,776
ARIS ISO increase	\$ -	\$ -
Revenue	(\$454,689)	(\$13,159)
AVAILABLE BALANCE	\$5,123,693	\$2,272,240

Source: DAIL Business Office.