
**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: November 18, 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

Choices for Care Moderate Needs Group services were expanded in SFY14-SFY15 with \$3.0 million Choices for Care reinvestments. The expansion was intended to address regional wait lists for anyone who applied before 1/1/14 and to create a flexible funds option for people who wanted to hire their own homemaker staff or purchase a limited amount of other services to meet their needs in 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 into 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 \$256,000 more than the SFY16 Moderate Needs allocations. DAIL met with provider stakeholders to verify claims data and partner on the effort. Following previous legislative language, DAIL reallocated \$250,100 of the SFY15 CFC carry forward funds and revised the SFY16 allocations caps to off-set estimated Moderate Needs losses for six Adult Day providers. HP Enterprises was notified in October to modify allocations caps effective 7/1/15. The reallocation will prevent current participants from being disenrolled or a reduction in services.

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, DAIL does not anticipate the likelihood of Adult Day programs needing to curtail services to existing clients or to cap enrollment of new clients. Though the total number of people waiting for Moderate Needs adult day services increased from nine in June 2015 to 21 in August 2015, it was a symptom of the initial reduced SFY16 allocation and will be alleviated with the revised increased allocations.

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 expects waiting lists to continue to exist for other Moderate Needs Group services.

Figure 1: Adult Day Moderate Needs Group Funding SFY16

Provider	Initial Mod Needs Caps SFY16	Projected Spending SFY16	Additional Carry Forward Funds Based on Projected Claims	Revised Caps SFY16
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

Figure 2: Statewide Adult Day Utilization

	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

NOTE: Though the 1st quarter of SFY16 claims are still incomplete, it appears there was a reduction in claims submitted for July. This was expected due to the initial reduction in funding for SFY16 and is now expected to increase over time as providers utilize their new increased allocations.

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

<i>Provider</i>	<i>Jun-13</i>	<i>Jun-14</i>	<i>June -15</i>	<i>Aug- 15</i>
Barre Project Independence	31	0	0	0
Bennington Project Independence	0	0	2	8
CarePartners Adult Day Center	0	0	0	3
Elderly Services, Inc.	8	0	7	10
Gifford Medical Center Adult Day Center	4	0	0	0
Green Mountain Adult Day Svc of Orleans County	0	0	0	0
Interage Adult Day Services	0	0	0	0
Out & About/Riverside	0	0	0	0
Oxbow Senior Independence Program	3	0	0	0
Riverside Life Enrichment Center	0	0	0	0
Springfield Area Adult Day Services	0	0	0	0
The Gathering Place	0	0	0	0
The Meeting Place	0	0	0	0
VNA Chittenden/Grand Isle Adult Day	0	0	0	0
TOTAL Adult Day Wait List	46	0	9	21

B. Developmental Disabilities Services

The Developmental Disabilities Services caseload utilization report is a budget-to-actual report indicating how much DDS caseload funding has been approved and allocated monthly to the 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 available for each category are as follows:
 - a) Regular Caseload: \$11,660,169 (\$6,577,767 of newly appropriated caseload for FY16, \$4,098,165 of estimated returned caseload already in the base appropriation, and \$984,237 of unutilized DS caseload leftover from FY15).
 - b) Public Safety: \$3,040,953 (\$2,485,857 of newly appropriated caseload for FY16 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 four months of state fiscal year 2016, the following DDS caseload utilization report reads as follows:

- a) APPROVALS: DAIL has approved funding at \$544,434 below the planned amount through October. DAIL has already approved several high cost budgets in addition to this and has several more requests for November that will likely result in using up much of this underspending.
- b) REVENUES: DAIL has available for re-allocation \$1,563,091. This is \$12,400 more than the planned amount through four months, which is essentially on target.
- c) SUMMARY: Based upon the accounting through October, if the total spending AND total revenue equal the monthly plan amounts for the remainder of SFY16, DAIL will have under-allocated the available annualized funding by \$556,438. As noted above, several high cost requests in November are likely to result in utilizing this underspending.

Conclusion: Based upon spending so far this FY, it is likely that DDS Caseload spending will be close to planned spending.

Equity Fund Committee Fund Approval Summary - Funds Available Compared to Funds Approved (Annualized)

10/28/2015

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	\$ 805,604	\$ 148,362	\$ 317,411	\$ 1,193,089	\$ 1,123,015	(70,074)
Oct-15	\$ 811,235	\$ 957,760	\$ 466,231	\$ 45,607	\$ 1,277,466	\$ 1,003,367	(274,099)
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	\$ 4,656,364	\$ 3,040,953	\$ 589,794	\$ 14,701,122	\$ 5,246,158	(544,434)

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	\$ 378,721	\$ 46,258	\$ 170,163	\$ 387,772	548,884	161,112
Oct-15	\$ 341,514	\$ 546,359	\$ 46,258	\$ -	\$ 387,772	546,359	158,587
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	\$ 1,379,769	\$ 555,096	\$ 183,322	\$ 4,653,261	\$ 1,563,091	12,004

Forecasted Ending Balance per Spending Plan \$ 556,438

ACTUAL FUND BALANCES - FY16		
	Equity Fund	Public Safety
New Funds in FY16	\$7,562,004	\$2,485,857
Expenditures	\$ 4,656,364	\$ 589,794
ARIS ISO increase	\$ -	\$ -
Revenue	(\$1,379,769)	(\$183,322)
AVAILABLE BALANCE	\$4,285,409	\$2,079,385

6,364,794