

**Florida Dept. of Elder Affairs
Legislative Budget Request - FY 2012-2013
Summary of Issues**

Summary: The Department of Elder Affairs has requested 7 major budget issues for legislative consideration that provide for an increase of \$129.1 million above the current year base budget for home and community care services to frail seniors. A summary taken from the Department's legislative budget request for each issue is found below:

Issue #1:

ISSUE TITLE: Money Follows the Person Rebalancing Demonstration Grant - 3000120

SUMMARY: The Department of Elder Affairs (DOEA) is requesting authorization for five essential positions (Other Personnel Services) to implement its responsibilities in support of the Money Follows the Person Rebalancing Demonstration Grant (MFP) to be implemented in partnership with the Agency for Health Care Administration (AHCA). The Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services awarded \$35,748,853 to AHCA beginning April 1, 2011 through March 31, 2016 for MFP activities. This grant was authorized by the Deficit Reduction Act of 2005 as part of a comprehensive strategy to help states shift resources from institutional care to less costly home and community based services. The state is not obligated to continue this program after the grant period. The total budget for the first year is \$320,424 which would be 100% federally funded.

Florida's MFP grant award provides 100% federal funding for all staffing and administrative costs associated with the project. It provides enhanced match for waiver services for transitioned individuals and for additional services and support to assist with more complicated transitions. The grant will enhance the state's ongoing Nursing Home Transition program developed by AHCA in cooperation with DOEA and the Departments of Health, and Children and Families. Through the existing Nursing Home Transition program efforts, 2,392 Medicaid recipients have moved from nursing homes to their homes or into the community using home and community based services (HCBS) waivers from January 2009 through June 2011. The MFP Grant will augment the state's current efforts by providing enhanced match for qualified services for the first year after an individual has transitioned.

Background:

VALUE AND BENEFIT(S) OF PROPOSED ISSUE: The Money Follows the Person Rebalancing Demonstration Grant (MFP) would further the state's continued efforts to reduce waste, increase quality and efficiency and institute best practices with resulting cost savings to taxpayers. The administrative and technological enhancements available under MFP will support both the current nursing home transition (NHT) efforts and related expectations to continue to transition individuals to

less costly community based settings in the new Medicaid long-term care managed care environment.

In an effort to reduce Medicaid costs, the 2011 Legislature enacted the Medicaid Managed Care legislation including a managed care system for Medicaid long-term care services. The cost of nursing home care is higher than the cost of long-term services in an individual's home or in the community. Also, from a quality of life perspective, receiving care at home or in the community is in general, preferable to having to live in a nursing home to receive services. The goals of the MFP grant are to assist in these very same cost-reduction efforts plus quality of life improvements.

In addition, AHCA and Department of Elder Affairs are defendants in a federal class action lawsuit (Lee v. Dudek) that alleges the state has unfairly institutionalized Medicaid recipients in nursing homes. The state is continuing to vigorously defend this lawsuit. It is critical that the state be able to continue to build upon current successes in moving recipients to less restrictive community based settings, and the MFP funding will support those efforts.

This request to fund five OPS MFP positions is essential to meet MFP grant objectives and reporting requirements and will directly benefit consumers by enhancing existing DOEA nursing home transition resources and efforts. The five OPS positions that will be established as a result of this legislative budget request are detailed below.

DOEA MFP State Coordinator: One DOEA MFP State Coordinator responsible for coordination and implementation of all DOEA MFP grant activities through the state. A Government Analyst II position has been requested. This analyst would work closely with AHCA to support MFP activities, would oversee and direct activities of local MFP NHT Coordinators, and would work in partnership with MFP partner agencies to develop MFP related policies and procedures for local staff and the provider networks.

DOEA MFP Systems and Data Analyst: One Systems Programming Consultant position responsible for technical assistance and project support on information technology and systems development activities related to Money Follows the Person grant activities. This position will facilitate timely and accurate data transmission between DOEA and AHCA on all Money Follows the Person and Nursing Home Transition program activities, including programming, testing, and implementation of system enhancements for DOEA's current client tracking system. This position will also be responsible for data analysis and financial report development related to Money Follows the Person grant activities to meet Department requirements to oversee spending for the MFP and related transition program activities.

Regional DOEA MFP Transition Coordinators: Three Regional Nursing Home Transition Coordinators responsible for local and regional MFP support and operational activities including but not limited to; identification, screening, and referral of those potentially eligible, outreach and education to public and private partners and providers, partnership development, and oversight of local MFP grant activities. Transition Coordinators will partner with the state's Aging and Disability/Aging Resource Centers, CARES, DCF, DOH, housing authorities/agencies, Social Security Administration, and others to effectively use available data, including MDS generated data, to screen and provide information and referral for nursing facility residents requesting to return to the community.

Solution/Justification:

IMPACT OF NOT FUNDING THIS ISSUE:

Florida will not have access to federal funds that can enhance the state s existing efforts to transition individuals from nursing homes to community settings by providing enhanced match for qualified services for the first year after each individual has transitioned.

The Department will be unable to establish necessary OPS positions to; (1)administer DOEA MFP grant activities and meet grant requirements, (2)coordinate extensive nursing home transition technical assistance and outreach on a statewide and local level, (3) implement infrastructure and technological improvements for nursing home transition. Specifically, the Department will not benefit from 100% federal funding for MFP related administrative costs, including grant staffing, travel, outreach and training, information technology infrastructure, and contracted consulting services.

CATEGORY FUND BUDGET ENTITY AMOUNT ACTIVITY

Other Personal Services (030000); 5 OPS PG24 2261 65100400 \$268,819.25 ACT4300
Expense (040000); 5 OPS PG24 @\$10,203 each 2261 65100400 \$51,015.00 ACT4300
HR Svcs. (107040; 5 OPS PG24 @\$118 each 2261 65100400 \$590.00 ACT4300

Issue #2:

COMMUNITY BASED SERVICES FOR THE
FRAIL ELDERLY 4100000
ALZHEIMER’S DISEASE INITIATIVE -
FRAIL ELDERS WAITING FOR SERVICES 4100040
SPECIAL CATEGORIES 100000
G/A-ALZHEIMER’S RESP/PROJ 100092
GENERAL REVENUE FUND..... 2,967,300

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AGENCY ISSUE NARRATIVE:

2012-2013 BUDGET YEAR NARRATIVE: IT COMPONENT? NO

Issue Title: Alzheimer s Disease Initiative (ADI) - Frail Elders Waiting for Services - 4100040

Summary: The Department of Elder Affairs (DOEA) administers the Alzheimer s Disease Initiative (ADI), which is funded through the Grants and Aids - Alzheimer s Disease Respite and Projects category (100092). DOEA is requesting \$15,457,178 in General Revenue for fiscal year 2012-2013. This request represents an increase of \$2,967,300 in General Revenue from the fiscal year 2011-2012 appropriation of \$12,489,878.

Background: Alzheimer s Disease Initiative services are provided to the caregivers and individuals diagnosed or

suspected of having probable Alzheimer's disease or other related memory disorders that interfere with activities of daily living. The services are designed to assist the recipients to remain in the least restrictive, cost effective environment most suitable to their needs for as long as possible. According to Hebert LE, Scherr PA, Bienias JL, Bennett DA, and Evans DA. "State-specific Projections Through 2025 of Alzheimer Disease Prevalence." (Neurology 2004), Florida's Alzheimer's population increased by 25 percent from 2000 to 2010.

In July 2011, enrollment in the ADI program was 2,063 unduplicated clients with another 1,731 frail individuals waiting for ADI respite services. The frailest of those individuals waiting for services (classified as priority level 4 and above) was 785. Very frail elders are individuals categorized as generally being cared for by other frail elders. Also, more than half of the very frail elders are incontinent and more than a third suffer dementia. Dementia and incontinence are two clear indicators of nursing home risk. More than half of them have caregivers that are also in crisis. Caring for a person with Alzheimer's or other dementia is very difficult, and many family caregivers experience high levels of emotional stress and depression as well as negative impacts on their health, employment, income and financial security. The ADI respite program provides relief for caregivers in this situation to help prevent caregiver burnout and placement of the frail elder into a nursing home.

Solution/Justification: This issue requests an additional 471 slots to serve those individuals at priority level 4 and above waiting for ADI services. The number of slots is based on previous experience showing that approximately 60% of individuals waiting for services ultimately enroll in the program. ($785 \times 60\% = 471$). This request is consistent with the Department of Elder Affairs Long-Range Program Plan's first priority to create a long-term care system that is streamlined, cost-effective and consumer-friendly. The ADI program and services enabled seniors to receive needed services without the expense and loss of personal freedoms associated with placement in a nursing home.

Based on the Average Risk Score for these frail individuals it is anticipated that, if not for program services, 49.8% would require nursing home placement. When compared to the annual cost of Medicaid nursing home placement of \$58,056, the ADI program's annual cost of \$6,300 saves approximately \$51,756 per individual per year. Serving an additional 471 individuals in the ADI program will save over \$12 million annually. ($471 \times 49.8\% = 235 \times \$51,756 = \$12,162,660$).

While, the current fiscal year's appropriation for the ADI program will not address the service needs of all very frail elders, this request will at least allow the frailest individuals and caregivers to begin to receive day care, respite, counseling, education, training, and specialized medical equipment and supplies. If this request is not funded, these individuals will be at risk for nursing home placement that is significantly more costly to the state.

The program cost estimates are based upon prior year performance, current year funding and the number of very frail elders in need of services.

Issue #3:

ELDER AFFAIRS, DEPT OF 65000000

PGM: SERVICE TO ELDERS PGM 65100000
H_O_M_E_&_C_O_M_M_U_N_I_T_Y__S_E_R_V_I_C_E_S_ 65100400
HEALTH AND HUMAN SERVICES 13
L_O_N_G_-T_E_R_M_C_A_R_E_1_3_0_3_.0_0_.0_0_.0_0_
COMMUNITY BASED SERVICES FOR THE
FRAIL ELDERLY 4100000
FUNDING FOR ADDITIONAL SLOTS IN THE
CAPITATED NURSING HOME DIVERSION
WAIVER PROGRAM (NHD) 4100100
SPECIAL CATEGORIES 100000
NURSNG HOME DIVRSN WAIVER 109970
GENERAL REVENUE FUND 13,509,801 1000
OPERATIONS AND MAINT TF 17,152,479 2516
TOTAL APPRO..... 30,662,280

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AGENCY ISSUE NARRATIVE:

2012-2013 BUDGET YEAR NARRATIVE: IT COMPONENT? NO

Issue Title: Funding for Additional Slots in the Capitated Nursing Home Diversion Waiver Program (NHD) - 4100100

Summary: The Department of Elder Affairs (DOEA) administers the Capitated Nursing Home Diversion Waiver Program (NHD), which is funded through the Capitated Nursing Home Diversion Waiver Category - 109970. DOEA is requesting \$386,428,978 in total funds for fiscal year 2012-2013. This request represents a total combined increase of \$30,662,280 from the fiscal year 2011-2012 total appropriation of \$355,766,698; \$17,152,479 in the Operations and Maintenance Trust Fund and \$13,509,801 in General Revenue.

Background: NHD program provides services to individuals who would otherwise require Medicaid nursing home placement. Individuals eligible for the program must be age 65 years or older, be eligible for Medicare, and be functionally impaired to meet Medicaid nursing home level of care placement plus additional criteria. The NHD program uses a managed care service delivery system model to provide a comprehensive array of services such as coordination of medical services, all home and community based services, assisted living facility placement, and unlimited nursing home care.

During the time period April 2010 - March 2011, 24,377 unduplicated elder Floridians received NHD services. As of September 2010, the department documented 10,021 frail individuals waiting for services. As of July 2011, the frailest of those individuals waiting for services (classified as priority level 4 and above) was 2,937. Since the NHD program targets the frailest of the frail, it is anticipated that most of the individuals at priority level 4 and above, if not for program services, would require nursing home placement.

Solution/Justification: This issue requests an additional 1,762 slots to serve those individuals at priority level 4 and

above waiting for NHD services. The number of slots is based on previous experience, showing that approximately 60% of individuals waiting for services ultimately enroll in the program. (2,937 X 60% = 1,762). The request is consistent with the Department of Elder Affairs Long-Range Program Plan's first priority to create a long-term care system that is streamlined, cost-effective and consumer-friendly.

Based on the Average Risk Score for these frail individuals it is anticipated that, if not for program services, 66.9% would require nursing home placement. When compared to the annual cost of Medicaid nursing home placement of \$58,056, the NHD program's annual cost of \$17,400 saves approximately \$40,656 per individual per year. Serving an additional 1,762 individuals in the NHD program will save over \$47.9 million annually. (1,762 X 66.9% = 1,179 X \$40,656 = \$47,933,424).

A potential funding source for this issue would be to move funds from the Nursing Home line item to fund a portion if not all of this budget request.

The program cost estimates are based upon prior year performance, current year funding and the number of very frail elders in need of services.

Cost Analysis:

Slot Average Monthly Cost Annual Costs

1,762 \$1,450.00 \$30,662,280

Federal Medical Assistance Percentage (Based on information from the Medicaid Estimating Conference)

Effective 07/01/11 06/30/12

55.94% Federal

44.06% State

Total General Revenue = \$13,509,801

Total OMTF = \$17,152,479

Fund Budget Entity Amount Activity

Capitated Nursing Home Diversion Waiver (109970) 1000 65100400 \$13,509,801 ACT4500

Capitated Nursing Home Diversion Waiver (109970) 2516 65100400 \$17,152,479 ACT4500

Issue #4:

Solution/Justification: This issue requests an additional 4,106 slots to serve those individuals at priority level 4 and above waiting for CCE services. The number of slots is based on previous experience showing that 60% of individuals waiting for services ultimately enroll in the program (6,844 X 60% = 4,106). This request is consistent with the Department of Elder Affairs Long-Range Program Plan priority to create a long-term care system that is streamlined, cost-effective and consumer-friendly. The CCE program and services enable seniors to receive needed services without the expense and loss of personal freedoms associated with placement in a nursing home.

Based on the Average Risk Score for these frail individuals it is anticipated that, if not for program services, 38.5% would require nursing home placement. When compared to the annual cost of Medicaid nursing home placement of \$58,056, the CCE program's annual cost of \$5,340 saves approximately \$52,716 per individual per year. Serving an additional 4,106 individuals in the CCE program will save over \$83 million annually. (4,106 X 38.5% = 1,581 X \$52,716 = \$83,343,996).

While the current fiscal year's appropriation for the CCE program will not address the service needs of all very frail elders, this request will at least allow the frailest of those individuals to begin to receive services. If this request is not funded, these individuals will be at risk for nursing home placement which is much more costly to the state. The program cost estimates are based upon prior year performance, current year funding and the number of very frail elders in need of services.

Fund Budget Entity Amount Activity#

G/A - Community Care for the Elderly (100547) 1000 65100400 \$21,926,040 ACT4200

Issue #5:

SERVE ADDITIONAL CLIENTS IN THE
 HOME CARE FOR THE ELDERLY (HCE)
 PROGRAM 4100210
 SPECIAL CATEGORIES 100000
 G/A-COMMUNITY CARE/ELDERLY 100547
 GENERAL REVENUE FUND..... 2,725,248

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AGENCY ISSUE NARRATIVE:

2012-2013 BUDGET YEAR NARRATIVE: IT COMPONENT? NO

Issue Title: Serve Additional Clients in the Home Care for the Elderly (HCE) Program - 4100210

Summary: The Department of Elder Affairs (DOEA) administers the Home Care for the Elderly Program (HCE), which is funded through the Community Care for the Elderly category (100547). DOEA is requesting \$2,725,248 in General Revenue for HCE services in fiscal year 2012-2013.

Background: The Home Care for the Elderly program provides subsidy payments to help care givers maintain low-income Floridians age 60 and older in their own home or in the home of a caregiver. The monthly basic subsidy payment is made to the caregiver for support and health maintenance and to assist with specialized health care needs. Eligible clients may receive a wide range of goods and services, including: adult day care, adult day health care, case management, case aide, chore, companionship, consumable medical supplies, counseling, escort, emergency alert response, emergency home repair, home-delivered meals, home health aide, homemaker, home nursing, information and referral, legal assistance, material aid, medical therapeutic services, personal care, respite, shopping assistance, transportation, and other community-based services. An eligible HCE participant must be assessed as frail, functionally impaired, and at risk of nursing home placement without the assistance of their caregivers. The services are designed to assist the recipients to remain in the least restrictive, cost effective environment most suitable to their needs for as long as possible. In July 2011, enrollment in the HCE program was 1,338 unduplicated clients with another 2,573 frail individuals waiting for services. The frailest of those individuals waiting for services (classified as priority level 4 and above) was 1,253. Many very frail elders are individuals categorized as generally being cared for by other frail elders. Also, many of the caregivers are in crisis and in need of support in providing care.

Solution/Justification: This issue requests an additional 752 slots to serve those individuals at priority level 4 and above waiting for HCE services. The number of slots is based on previous experience showing that 60% of individuals waiting for services ultimately enroll in the program (1,253 X 60% = 752). This request is consistent with the Department of Elder Affairs Long-Range Program Plan priority to create a long-term care system that is streamlined, cost-effective and consumer-friendly. The HCE program and services enable seniors to receive needed services without the expense and loss of personal freedoms associated with placement in a nursing home.

Based on the Average Risk Score for these frail individuals it is anticipated that, if not for program services, 37.0% would require nursing home placement. When compared to the annual cost of Medicaid nursing home placement of \$58,056, the HCE program's annual cost of \$3,624 saves approximately \$54,432 per individual per year. Serving an additional 752 individuals in the HCE program will save over \$15 million annually. (752 X 37.0% = 278 X \$54,432 = \$15,132,096).

While the current fiscal year s appropriation for the HCE program will not address the service needs of all very frail elders, this request will at least allow the frailest of those individuals to begin to receive services. If this request is not funded, these individuals will be at risk for nursing home placement which is much more costly to the state.

The program cost estimates are based upon prior year performance, current year funding and the number of very frail elders in need of services.

Fund Budget Entity Amount Activity

G/A - Community Care for the Elderly (100547) 1000 65100400 \$ 2,725,248 ACT4200

Issue #6:

ELDER AFFAIRS, DEPT OF 65000000
PGM: SERVICE TO ELDER PGM 65100000
H_O_M_E_&_C_O_M_M_U_N_I_T_Y_ S_E_R_V_I_C_E_S_ 65100400
HEALTH AND HUMAN SERVICES 13
L_O_N_G_-T_E_R_M_ C_A_R_E_ 1_3_0_3_.0_0_.0_0_.0_0_
COMMUNITY BASED SERVICES FOR THE
FRAIL ELDERLY 4100000

**SERVE ADDITIONAL CLIENTS IN THE
ASSISTED LIVING MEDICAID WAIVER
PROGRAM (ALW) 4100220**

SPECIAL CATEGORIES 100000
ALF WAIVER 101557
GENERAL REVENUE FUND 957,644 1000
OPERATIONS AND MAINT TF 1,215,856 2516
TOTAL APPRO..... 2,173,500

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AGENCY ISSUE NARRATIVE:

2012-2013 BUDGET YEAR NARRATIVE: IT COMPONENT? NO

Issue Title: Serve Additional Clients in the Assisted Living Medicaid Waiver Program (ALW) - 4100220

SUMMARY: The Department of Elder Affairs (DOEA) administers the Assisted Living Waiver Program (ALW), which is funded through the Assisted Living Facility Waiver Category - 101557. DOEA is requesting a total combined increase of \$2,173,500; \$1,215,856 in the Operations and Maintenance Trust Fund and \$957,644 in General Revenue for fiscal year 2012-2013.

Background: Assisted Living Medicaid waiver services are for individuals age 60 and older who are at risk of nursing home placement and meet additional specific criteria related to the individual's ability to function. Recipients need additional support and services, which are made available in assisted living facilities with Extended Congregate Care or Limited Nursing Services licenses. Individuals must be 60 years old or older, reside in an assisted living facility and meet the same technical and financial criteria applied to individuals seeking Medicaid assistance for nursing home status.

During the time period April 2010 - March 2011, 4,480 unduplicated elder Floridians received ALW services. As of July 2011, the department documented 1,417 frail individuals waiting for ALW services with 345 of these being the frailest of the frail (classified as priority 4 and above).

Solution/Justification: This issue requests an additional 207 slots to serve those individuals at priority level 4 and above waiting for ALW services. The number of slots is based on previous experience showing that approximately 60% of

individuals waiting for services ultimately enroll in the program. (345 X 60% = 207). The request is consistent with the Department of Elder Affairs Long-Range Program Plan's first priority to create a long-term care system that is streamlined, cost-effective and consumer-friendly.

Based on the Average Risk Score for these frail individuals it is anticipated that, if not for program services, 60.1% would require nursing home placement. When compared to the annual cost of Medicaid nursing home placement of \$58,056, the ALW program's annual cost of \$10,500 saves approximately \$47,556 per individual per year. Serving an additional 207 individuals in the ALW program will save over \$5.8 million annually. (207 X 60.1% = 124 X \$47,556 = \$5,896,944).

While, the current fiscal year's appropriation for the ALW program will not address the service needs of all very frail elders, this request will at least allow the frailest individuals to begin to receive services such as personal care, adult day care, consumable medical supplies, and home delivered meals. If this request is not funded, these individuals will be at risk for nursing home placement that is significantly more costly to the state.

The program cost estimates are based upon prior year performance, current year funding and the number of very frail elders in need of services.

Cost Analysis:

Elders Average Monthly Cost Annual Costs

207 \$875.00 \$2,173,500

Federal Medical Assistance Percentage (Based on information from the Medicaid Estimating Conference)

Effective 07/01/11 - 06/30/12

Federal 55.94%

State 44.06%

Total General Revenue = \$957,644

Total OMTF = \$1,215,856

Fund Budget Entity Amount Activity

Assisted Living Facility Waiver Category (101557) 1000 65100400 \$957,644 ACT4500

Assisted Living Facility Waiver Category (101557) 2516 65100400 \$1,215,856 ACT4500

Issue #7:

ELDER AFFAIRS, DEPT OF 65000000
 PGM: SERVICE TO ELDER PGM 65100000
 H_O_M_E_&_C_O_M_M_U_N_I_T_Y_S_E_R_V_I_C_E_S_ 65100400
 HEALTH AND HUMAN SERVICES 13
 L_O_N_G_T_E_R_M_C_A_R_E_____1_3_0_3_.0_0_.0_0_.0_0_
 COMMUNITY BASED SERVICES FOR THE
 FRAIL ELDERLY 4100000

**SERVE ADDITIONAL CLIENTS IN THE
 AGED AND DISABLED ADULT MEDICAID
 WAIVER PROGRAM (ADA) 4100240**

SPECIAL CATEGORIES 100000
 HOME/COMM SERVICES WAIVER 101555
 GENERAL REVENUE FUND 14,480,771 1000
 OPERATIONS AND MAINT TF 18,385,256 2516

 TOTAL APPRO..... 32,866,027
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AGENCY ISSUE NARRATIVE:

2012-2013 BUDGET YEAR NARRATIVE: IT COMPONENT? NO

Issue Title: Serve Additional Clients in the Aged and Disabled Adult Medicaid Waiver Program (ADA) - 4100240

SUMMARY: The Department of Elder Affairs (DOEA) administers the Aged and Disabled Adult Waiver Program (ADA), which is funded through the Home and Community Based Services Waiver Category - 101555 (this category also includes funding for the Channeling and Adult Day Health Care Waivers). DOEA is requesting a total combined increase of \$32,866,027; \$18,385,256 in the Operations and Maintenance Trust Fund and \$14,480,771 in General Revenue for fiscal year 2012-2013.

Background: ADA services are provided to older persons and disabled individuals assessed as frail, functionally impaired, and at risk of nursing home placement. Individuals must be 60 years old or older and meet the same technical and financial criteria applied to individuals seeking Medicaid assistance for nursing home status. The services are designed to assist the recipient to remain in the community for as long as possible.

During the time period April 2010 - March 2011, 12,080 unduplicated elder Floridians received ADA services. As of July 2011, the department documented 15,905 frail individuals waiting for ADA services with 5,314 of these being the frailest of the frail (classified as priority level 4 and above).

Solution/Justification: This issue requests an additional 3,188 slots to serve those individuals at priority level 4 and above waiting for ADA services. The number of slots is based on previous experience that shows that approximately 60% of individuals waiting for services ultimately enroll in the program. (5,314 X 60% = 3,188). The request is consistent with

the Department of Elder Affairs Long-Range Program Plan s first priority to create a long-term care system that is streamlined, cost-effective and consumer-friendly.

Based on the Average Risk Score for these frail individuals it is anticipated that, if not for program services, 42.7% would require nursing home placement. When compared to the annual cost of Medicaid nursing home placement of \$58,056, the ADA program's annual cost of \$10,308 saves approximately \$47,748 per individual per year. Serving 3,188 individuals in the ADA program will save over \$64.9 million annually. (3,188 X 42.7% = 1,361 X \$47,748 = \$64,985,028)

While, the current fiscal year's appropriation for the ADA program will not address the service needs of all frail elders, this request will at least allow the frailest individuals to begin to receive services such as personal care, adult day care, consumable medical supplies, and home delivered meals. If this request is not funded, these individuals will be at risk for nursing home placement that is significantly more costly to the state.

The program cost estimates are based upon prior year performance, current year funding and the number of very frail elders in need of services.

Cost Analysis:

Elders Average Monthly Cost Annual Costs

3,188 \$859.00 \$32,866,027

Federal Medical Assistance Percentage (Based on information from Medicaid Estimating Conference)

Effective 07/01/11 - 06/30/12

Federal 55.94%

State 44.06%

Total General Revenue = \$14,480,771

Total OMTF = \$18,385,256

Fund Budget Entity Amount Activity

Home and Community Based Services Waiver (101555) 1000 65100400 \$14,480,771 ACT4500

Home and Community Based Services Waiver (101555) 2516 65100400 \$18,385,256 ACT4500