

Kansas Department on Aging

Fiscal Year 2009 Budget Proposal

Presented to Stakeholders
by Secretary Kathy Greenlee

October 9, 2007

AGENCY MISSION:

The Kansas Department on Aging promotes the security, dignity, and independence of Kansas seniors.

AGENCY VISION:

KDOA envisions a community that empowers Kansas seniors to make choices about their lives.

AGENCY PHILOSOPHY:

KDOA in its role as an advocate, purchaser of services and regulator directs programs and responsibly establishes collaborations that strengthen the Department's capability to be optimally responsive to the Social, Health Care, Nutritional, Housing and Transportation needs of Kansas Seniors. The Department is customer-centered, placing emphasis on internal and external fair and reasonable delivery of services that result in pertinent, objective and measurable outcomes to benefit Kansas Seniors and Kansans living in adult care homes.

AGENCY GOALS:

The goals of the Department are to:

- ***Health Promotion:*** Help Kansas seniors achieve healthier, more active lives through prevention and intervention.
- ***Array of Choices in Services:*** Make an array of high quality community services and supports available to Kansas seniors and other individuals.
- ***Nursing Home Culture Change:*** Enhance Kansans' expectations toward person-directed options in the community and adult care settings.

AGENCY OBJECTIVES AND OUTCOMES

To support these goals, policy directions and outcomes have been identified for the Department's goals:

1. **Health Promotion.** KDOA wants to help seniors stay healthy and active for as long as possible. To encourage a healthy lifestyle in later years, we support programs that focus on wellness, physical activity and nutrition.

Outcomes

- Kansas seniors will have access to a greater array of health-based services.
- More Kansas seniors will participate in health-based programs.
- Kansas seniors access support services at a later age.

1. **Array of Choices in Services.** KDOA must continue to support independence. Kansas seniors desire and deserve a service option range that fits their needs as they progressively age and need assistance incrementally. Elders living in their homes later into the life cycle and remaining a part of the larger community have an enhanced quality of life and reduce the need for nursing home placement. Affordable and various options of care services for seniors are cost effective and compassionate.

Outcomes

- Seniors reside in the community later into the life cycle, thereby enhancing their quality of life.
- The array of services provided meet seniors' expectations for quality and standards of care.
- The percentage of seniors seeking nursing home placement decreases.

3. **Nursing Home Culture Change.** Transformation of nursing facilities from traditional medical models to homes that support residents making more choices about their living arrangements is what seniors deserve. To meet their needs and expectations, innovations in the long-term care delivery system, employing new models of care, are critical to advancing senior housing accommodations that will transition to the future.

Outcomes

- Adult care homes and community services all provide person-directed care.
- Consumers are educated about person-directed options.
- Person-directed care is included in the educational curriculum of all levels of provider staff.
- Leaders embrace person-directed care
- Press coverage about the culture change to person-directed care is positive.

ENHANCEMENT 1 OF 7

Home and Community Based Services-Frail Elderly (HCBS-FE) Waiver: Expand Attendant Care Services

The Department requests **\$5,929,258, all funds, (\$2,414,394 SFG)** to expand Attendant Care services.

The Department requests an enhancement of **\$581,758, all funds, (\$236,892 SGF)** to increase Attendant Care services to support 12 hours of attendant care in the community. Community-based options for seniors can delay or reduce nursing facility admissions. The HCBS-FE waiver currently limits the number of attendant care hours to eight per day. The 12 hours of attendant care and 12 hours of sleep cycle support will allow 24 hours of care per day, consistent with the physically disabled and mental retardation/developmental disability HCBS waiver programs.

The Department requests an enhancement of **\$5,347,500, all funds, (\$2,177,502 SGF)** to expand Health Care Attendant 1 service to include the provision of non-medical assistance, observation, supervision, and socialization to functionally and/or cognitively impaired adults. The proposed companion service does not entail hands-on nursing care. A University of Kansas study titled “Comparison of Health Care Expenditures for Kansas Medicaid’s Frail Elderly and Nursing Home Recipients” reveals that approximately 8% of the FE customers flagged a dementia diagnosis. This additional waiver service would move the FE waiver away from a “medical model” and recognize the need for on-going supervision in the community to allow FE customers the option of remaining in their own homes and avoid potential nursing facility admission. The estimate reflects approximately 625 persons (8% of the unduplicated annual caseload of 7,807) receiving an average increase in their plan of care of \$713 per month.

ENHANCEMENT 2 OF 7:

Nutrition Program: Federal Minimum Wage

The Department requests an enhancement of **\$1,007,672 (all SGF)** for the nutrition program. The increased funding will bring the lowest paid workers up to the new federal minimum wage. The estimate is based on a survey conducted by the Kansas Community Nutrition Services of its members.

ENHANCEMENT 3 OF 7:

Core Funding for Area Agencies on Aging (AAAs)

The Department requests funding of **\$1,569,674 (all SGF)** to support core services provided by the AAAs but not reimbursed by either federal or state programs. Each of the 11 AAAs will be provided a base allocation of \$60,000 for a total of \$660,000. A formula would be applied to allow \$2 per Kansan, aged 60 or older, for a total of \$909,674. The core service dollars will provide the financial ability for the AAAs to access customers in the service areas.

ENHANCEMENT 4 OF 7:

Home and Community-Based Services-Frail Elderly (HCBS-FE) Rate Increase

The Department requests an enhancement of **\$1,276,891, all funds, (\$519,950 SGF)** to provide a two percent (2%) rate increase for the HCBS-FE providers. This is in line with the Department of Social and Rehabilitation Services (SRS) enhancement request for the HCBS providers. The Department on Aging and SRS will lose community-based service providers at the lower reimbursement rates.

ENHANCEMENT 5 OF 7:

Home and Community-Based Services-Frail Elderly (HCBS-FE) Maintenance of Effort

The Department requests **\$3,924,195, all funds, (\$1,597,932 SGF)** to fund an increase in the caseload of 358 persons. This will maintain the caseload at the SFY 2008 level and allow an additional 25 persons per month in SFY 2009. If the funding is not provided, it will result in KDOA running short of funds. It is far more cost effective to serve elderly seniors in the community versus having them served in a nursing home.

ENHANCEMENT 6 OF 7:

Senior Care Act Caseload Growth and Eliminate Waiting List

The Department requests an enhancement of **\$726,000 all funds (\$726,000 State General Fund)** for the Senior Care Act. This amount will maintain the estimated FY 2008 caseload and allow services to an additional 660 individuals at \$1,100 per year to address caseload increases and to eliminate the waiting list.

ENHANCEMENT 7 OF 7:

Program of All-inclusive Care for the Elderly (PACE) - EXPANSION

The Department requests **\$1,947,000 all funds (\$792,818 State General Fund)** for 125 additional slots in PACE. This request provides for expansion of the PACE program: expands one PACE site and adds another site in Wyandotte County as directed by the 2007 Legislature.

The first expansion is for 75 slots at Midland Care Connection in Topeka, serving Shawnee and the six surrounding counties. Midland Care Connection is a new PACE site which began operating in SFY 2007 with 75 slots. The projected budget for the additional 75 slots is \$1,152,000 all funds (\$469,094 SGF). This will allow incremental growth in SFY 2009 to a full capacity of 150 customers.

The second request is for 50 slots to implement a new PACE site in Wyandotte County to expand the managed care service in another part of the state. The projected budget for the start up year is \$795,000 all funds (\$323,724 SGF). This is in keeping with the legislative proviso from the 2007 legislative session.