

# **LSC Greenbook**

**Analysis of the Enacted Budget**

**Department of Aging**

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Legislative Service Commission

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## **ATTACHMENT:**

Budget Spreadsheet By Line Item

# Department of Aging

- Long-Term Care funding moves to Job and Family Services; Aging continues to act as program administrator
- Provider rates cut by 3% for PASSPORT, Choices, Assisted Living, and PACE
- RSS Program moves to Mental Health

## OVERVIEW

### Agency Overview

The Ohio Department of Aging (ODA) serves and advocates for the needs of Ohioans age 60 years and older. It provides home and community-based services that help frail individuals remain in their own homes, and supports consumers of long-term care. ODA also seeks to promote positive attitudes toward aging and older people through outreach, volunteer programs, and other efforts. On July 15, 2011, ODA had 106 employees.

ODA administers programs such as the PASSPORT Medicaid waiver (Pre-Admission Screening System Providing Options and Resources Today), the Assisted Living Medicaid waiver, the Program for All-Inclusive Care (PACE), Alzheimer's Respite Care, Long-Term Care Ombudsman, and the Golden Buckeye Card. In addition, ODA administers the federal Older Americans Act funds granted by the U.S. Department of Health and Human Services, Administration on Aging. Most state and federal aging programs in Ohio are administered at the local level by 12 area agencies on aging (AAAs). They also distribute federal, state, and, in some cases, local funds.

### Appropriation Overview

Table 1. Appropriations by Fund Group, FY 2012-FY 2013					
Fund Group	FY 2011*	FY 2012	% Change	FY 2013	% Change
General Revenue	\$151,466,044	\$14,693,242	(90.3%)	\$14,694,369	0.0%
General Services	\$202,520	\$372,518	83.9%	\$372,523	0.0%
State Special Revenue	\$52,423,345	\$3,089,092	(94.1%)	\$3,089,100	0.0%
Federal Special Revenue	\$491,551,265	\$81,180,080	(83.5%)	\$81,180,080	0.0%
<b>TOTAL</b>	<b>\$695,643,174</b>	<b>\$99,334,932</b>	<b>(85.7%)</b>	<b>\$99,336,072</b>	<b>0.0%</b>

\*FY 2011 figures represent actual expenditures.

As can be seen in Table 1 above, the budget provides total funding of approximately \$99.3 million in FY 2012 and in FY 2013, a decrease of 85.7% from FY 2011 expenditures of \$695.6 million. Additionally, GRF appropriations decrease by 90.3% in FY 2012 and are basically flat funded in FY 2013. State Special Revenue fund appropriations decrease by 94.1% from FY 2011 to FY 2012 and are flat funded in FY 2013. Also, federal appropriations decrease by 83.8% in FY 2012 and are flat funded

in FY 2013. The large decreases in funding are due to the movement of long-term care funding to the Ohio Department of Job and Family Services (ODJFS). ODA's long-term care funding encompasses appropriations for PASSPORT, Assisted Living, PACE, and Choices. This change is being done as part of the movement to create a unified long-term care budget.

## **Major Initiatives for FY 2012-FY 2013**

### **Long-Term Care Funding Moves to Job and Family Services**

In H.B. 153, funding for ODA's long-term care programs is moved to ODJFS. This is being implemented in order to create a unified long-term care budget. According to the Governor's Office of Health Transformation (OHT), a long-term care budget will allow greater flexibility in providing services since individuals will receive the correct services in the correct setting rather than receiving services under the programs where there is available funding. The long-term care programs within ODA are PASSPORT, Choices, Assisted Living, and PACE. A brief discussion of each program is provided below.

#### **PASSPORT**

The PASSPORT Program is a home and community-based Medicaid waiver that enables older individuals to stay at home by providing them with in-home, long-term care services. To be eligible for the program, the person must be over age 60 and meet Medicaid eligibility for nursing home care. In addition, the person must be frail enough to require a nursing home level of care and have a physician's consent that the person is able to safely remain at home. Services covered on the PASSPORT waiver are as follows: personal care, homemaker, home-delivered meals, adult day services, transportation, social work and counseling, nutrition consultant, independent living assistance, emergency response systems, home chores and repairs, medical supplies and equipment, enhanced community living, and adaptive and assistive equipment. At the end of December 2010, the caseload for the PASSPORT Program was 31,771.

#### **Choices**

Choices is a Medicaid waiver similar to PASSPORT that enables older individuals to stay at home by providing in-home, long-term care services. However, unlike PASSPORT, the Choices waiver is "consumer-directed." Consumer direction is a philosophy that allows individuals and families greater choice, control, and responsibility for their services. The Choices Program allows individuals to recruit, hire, schedule, and if necessary, fire their worker. The case manager still has a major role in assessing the consumer's needs and working with the consumer to identify ways of meeting those needs. The Choices waiver is limited to individuals already enrolled on the PASSPORT waiver and is currently only available in four geographic areas in

the state: AAA 6, which covers central Ohio, AAA 7, which covers southern Ohio, AAA 8, which covers southeastern Ohio, and AAA 4, which covers the Toledo area in northwestern Ohio. At the end of December 2010, the Choices caseload was 624.

### **Assisted Living**

The Assisted Living Program was created in H.B. 66 of the 126th General Assembly and began July 1, 2006. The program provides a setting that gives the person a home-like environment in a community living setting. Assisted Living is geared to those individuals who need extra help or supervision in their day-to-day lives but who do not require the 24-hour care provided in a nursing facility. To be eligible for the program, a person must be a current nursing facility resident or existing Medicaid waiver participant, be age 21 or older, need hands-on assistance with certain activities of daily living such as dressing and bathing, be able to pay room and board, and meet the financial criteria for Medicaid eligibility. At the end of December 2010, the Assisted Living caseload was 2,676.

### **PACE**

PACE provides home and community-based care, thereby allowing seniors to live in the community. PACE is a managed care program. The PACE sites provide participants with all of their needed health care, medical care, and ancillary services at a capitated rate. All PACE participants must be 55 years of age or older and qualify for a nursing home level of care. The program is authorized through the Medicaid state plan and operated under an agreement with the federal government – Centers for Medicare and Medicaid Services. There are currently two PACE sites – Tri-Health Senior Link, which is in Cincinnati and McGregor PACE, which is in Cleveland. McGregor PACE took over the operations of the PACE site from Concordia Care effective August 17, 2010. The PACE sites assume full financial risk for the care of the participants. At the end of December 2010, the total number of PACE participants was 722. Of this number, 556 participants were enrolled in the Cincinnati PACE site and 166 participants were enrolled in the Cleveland site.

## **PASSPORT, Choices, Assisted Living, and PACE Expenditures and Rate Cuts**

### **Estimated Expenditures**

The enacted budget specifies that expenditures for the PASSPORT, Choices, Assisted Living, and PACE programs are anticipated to be \$618,772,607 in FY 2012 and \$662,261,174 in FY 2013. Additionally, the budget requires ODJFS and ODA to monitor expenditures for these programs at regular intervals and specifies the following: (1) per member per month spending for PASSPORT and Choices services are to be at approximately the same levels as provided in FY 2011, (2) per member per month expenditures for case management are to be maintained at FY 2011 levels, and (3) operating functions for PASSPORT Administrative Agencies are to be reduced 5% in

FY 2012 and reduced by another 5% in FY 2013. Finally, the budget requires ODA and ODJFS to identify any significant variances in expenditures and requires the departments to take corrective action if a variance could adversely affect delivery of services under these programs.

### **Provider Rate Cuts**

PASSPORT, Choices, Assisted Living, and PACE provider rates will be reduced by 3% with the exception of emergency response services, which will be reduced by 10%. ODA anticipates this provider rate reduction to reduce expenditures by \$18 million (all funds) in FY 2012 and \$20 million (all funds) in FY 2013.

A maximum rate for services provided through PASSPORT is set in the Ohio Administrative Code; however, there are different payment methods and rates actually paid for community long-term care services. There are statewide rates for adult day services and unit rates for things such as homemaker services and home-delivered meal services. These unit rates could have some geographic variations. Lastly, some services such as home medical equipment are paid for on a per item basis and services such as minor home modifications are bid on a per job basis. Choices rates are negotiated by the consumer, except for adult day services, which are reimbursed at a statewide rate. However, the rates are not allowed to exceed the authorized amounts identified in the consumer's service plan. Assisted Living has three tiers of services and the consumer is placed onto one of these tiers based on the level of assistance that he or she requires. The maximum billable amount per day, set in the Ohio Administrative Code, is based on the tier the individual is placed in. Room and board expenses are paid by the participant. The PACE provider rate is a capitated rate, as it is basically a managed care program, and the providers receive a monthly payment. According to ODA, every provider will experience a 3% reduction in reimbursement.

### **Emergency Response and Transportation Rates Reductions**

Emergency response provider rates for PASSPORT and Choices will be cut by \$670,000 (all funds) in each fiscal year, or roughly 10%. Additionally, a group rate for transportation services provided under PASSPORT and Choices is being developed for multiple riders to and from the same address. ODA anticipates this to reduce expenditures by \$2 million (all funds) in each fiscal year.

### **Per Member Per Month Costs**

While per member per month (PMPM) spending for PASSPORT and Choices services and case management PMPM expenditures are required to be maintained at FY 2011 levels, ODA anticipates some savings as a result of other policies. According to ODA, these policies could include a new rate structure whereby the full rate would be paid to providers for certain services only if the PASSPORT or Choices consumer is receiving the service independent of other PASSPORT or Choices consumers. For

example, a provider would receive 100% for providing transportation to the first PASSPORT consumer, but would receive 75% for providing these same services for the second consumer. Additionally, ODA anticipates implementing a time management tool that would help provide consistency in regards to the amount of time a task should take to complete. ODA will also ensure that PASSPORT and Choices is the payor of last resort, so Medicare or another insurance provider would pay for services before PASSPORT or Choices. Improved service coordination and assessment to ensure that individuals are getting the necessary services and also that there are no other more economically feasible service options available could also help reduce expenditures. According to ODA, it is anticipated that these policies will reduce expenditures by \$18.7 million (all funds) in FY 2012 and \$17.7 million (all funds) in FY 2013.

Included in this section, is the reduction in costs related to durable medical equipment for the PASSPORT and Choices programs. According to ODA, a decrease in expenditures of \$3.8 million (all funds) in each fiscal year is anticipated. Again, ODA will achieve this by ensuring that PASSPORT and Choices is the payor of last resort. Additionally, it will modify standards to assure that individuals are receiving necessary and proper equipment.

#### **Area Agencies on Aging Administration Reduction**

While the budget reduces operating expenses for AAAs by 5% in FY 2012 and another 5% in FY 2013, it is anticipated that AAAs will actually receive a net increase in funding during the FY 2012-FY 2013 biennium. This is due to the fact that case management is required by the budget to be maintained at FY 2011 per member per month expenditure levels and caseload is expected to grow. AAAs received approximately \$83 million in FY 2011 for site operating costs. AAAs are estimated to receive \$84.8 million in FY 2012 and \$86.6 million in FY 2013 for site operating costs.

AAAs receive funds for administering community-based programs such as PASSPORT, Assisted Living, and Choices. The administrative rate is limited by the approved budget set by ODA for each AAA. AAAs are permitted to spend up to the established limit to administer the programs. Typically, the administrative rates are incremental adjustments to the prior year's budget. In recent years, increases have been almost exclusively based on caseload increases. From the perspective of the federal Centers for Medicare and Medicaid Services, all site operating costs are considered administrative costs, including case management, assessment, and screening costs, and the Choices Program fiscal intermediary fees.

#### **Unified Long-Term Care System Advisory Workgroup**

H.B. 153 creates the Unified Long-Term Care System Advisory Workgroup for FY 2012 and FY 2013. The Workgroup is required to serve in an advisory capacity in the implementation of a unified system of long-term care services that facilitates

(1) providing consumers choices of long-term care services that meet their health care needs and improve their quality of life, (2) providing a continuum of long-term care services that meets consumers' needs throughout life and promotes consumers' independence and autonomy, and (3) assuring that the state has a system of long-term care services that is cost effective and connects disparate services across agencies and jurisdictions.

Additionally, H.B. 153 requires the Workgroup to prepare two reports regarding a unified system of long-term care services. The bill also requires the Workgroup to convene four subcommittees. The first subcommittee is to study the current and future capacity of nursing facilities, the configuration of that capacity, and strategies for addressing nursing facility capacity. The second subcommittee is required to study the issue of quality incentive payments which are to be made to nursing facilities under the Medicaid Program in FY 2013. The third subcommittee is required to study the process of making Medicaid eligibility determinations for individuals seeking nursing facility services. The fourth subcommittee is to study Medicaid reimbursement for nursing facility services.

### **Single Medicaid Waiver for Home and Community-Based Services**

H.B. 153 requires ODJFS, working with ODA, to seek a unified long-term care services and support Medicaid waiver to provide home and community-based services to eligible individuals of any age who require the level of care provided by nursing facilities. The bill also requires ODJFS and ODA to determine on an individual program basis, whether PASSPORT, Ohio Home Care, Ohio Home Care/Transitions Aging Carve-out, Choices, and Assisted Living should continue to operate as separate components or be terminated if the unified long-term services and support Medicaid waiver component is created. The Ohio Home Care and Transitions Aging Carve-out waivers are currently administered by ODJFS. A single waiver is being sought to create a unified delivery system in order to make it easier for individuals needing services to navigate the delivery system. This new waiver will have a single set of provider and enrollment requirements and a service package to meet individual needs. ODJFS will need to seek approval from the Centers for Medicare and Medicaid Services to create this waiver.

### **Rebalancing Long-Term Care**

H.B. 153 requires the departments of Aging, Job and Family Services, and Developmental Disabilities to continue efforts to achieve a sustained and balanced delivery system for long-term services and to strive to realize the following goals by June 30, 2013: (1) to have at least 50% of Medicaid recipients who are at least age 60 and need long-term services utilize noninstitutionally based long-term services and (2) to have at least 60% of Medicaid recipients who are under age 60 and have cognitive or

physical disabilities for which long-term services are needed utilize noninstitutionally based long-term services. According to ODA's web site, H.B. 153 will rebalance long-term care spending by reducing the proportion that Ohio spends on institutional care from 64% to 58% while subsequently increasing the proportion spent on home and community-based services from 36% to 42%.

### **PACE Expansion and Evaluation**

H.B. 153 requires the PACE Program to be evaluated by Miami University's Scripps Gerontology Center in FY 2012, at an estimated cost of \$200,000. H.B. 153 specifies that the Director of Aging may expand the number of PACE sites beyond the current two, if the following apply: (1) funding is available for this, (2) ODA and ODJFS determine that the program is a cost effective alternative to nursing home care, and (3) the United States Centers for Medicare and Medicaid Services agrees to share any savings to the Medicare Program resulting from the expansion. However, the bill prohibits the Director from decreasing the number of PACE participants in currently participating areas below the number enrolled in PACE on July 1, 2011.

### **Aging and Disabilities Resource Network**

H.B. 153 requires ODA to promote the development of a statewide aging and disabilities resource network (ADRN) to provide older adults, adults with disabilities, and their caregivers with information on available long-term care service options and streamlined access to public and private long-term care services. Additionally, AAAs are required to establish the network and to collaborate with centers for independent living and other locally funded organizations to implement a cost-effective and consumer-friendly network.

According to ODA's web site, ODA received a grant in 2005 from the U.S. Administration on Aging (AoA) and the Centers for Medicare and Medicaid Services to develop an ADRN in Cuyahoga County through the Western Reserve AAA. The ADRN is to help individuals access services through many different organizations. The ADRN will help with the development of a "front door" to long-term services, whereby individuals will receive access to the necessary services in the correct setting no matter which organization they first go to for assessment. In 2009, Ohio received another grant from AoA to expand the ADRN statewide.

### **Residential State Supplement Moving to Department of Mental Health**

H.B. 153 moves the Residential State Supplement (RSS) Program to the Department of Mental Health. Additionally, the bill eliminates a requirement that certain entities licensed or certified by the Department of Health or the Department of Mental Health, also be certified by ODA in order to be eligible for RSS payments. The bill removes the requirement that ODA prepare an annual report for the General Assembly detailing the costs and savings achieved through enrolling RSS participants

onto the program through the Home First process. Home First allows individuals, on a waiting list and living in a nursing facility, to receive priority enrollment onto RSS.

The RSS Program provides cash assistance and case management to aged, blind, or disabled adults who reside in approved living arrangements including group homes, adult care facilities, residential care facilities, and other facilities licensed by the departments of Mental Health and Health. To be eligible for the program, a person must be 18 years of age or older, not need 24-hour supervision, require a protective level of care, require less than 120 days of skilled nursing care, and not have a monthly income greater than \$800 for most individuals. Also, persons may not have more than \$1,500 in assets. Clients receive the supplemental payment directly and then pay the RSS providers themselves. The monthly cash supplement is used together with the individual's personal income to pay for an alternative living arrangement. The monthly supplement makes up the difference between the individual's income and the financial need standard set for the appropriate RSS living arrangement. Individuals who are eligible for RSS also receive a Medicaid card.

At the end of December 2010, the RSS caseload was 1,494 and there were 175 individuals on the waiting list. Approximately 73% of individuals enrolled in the RSS Program are under the age of 60 and the majority have a mental health diagnosis. The number of individuals enrolled onto the program is limited by the funds available for the program. In FY 2010, approximately \$5.2 million in GRF, \$2.84 million in State Special Revenue funds, and \$518,000 in Federal Special Revenue funds were expended on the RSS Program.

### **Ohio Community Service Council Becomes An Independent Agency**

The Ohio Community Service Council is funded as an independent agency in H.B. 153. Previously, ODA acted as the fiscal agent for the Council, and for all intents and purposes, the Council was under ODA. H.B. 153 renames the Council the Commission on Service and Volunteerism and provides funding separate from ODA. The Council's primary mission is administering the AmeriCorps Program.

## ANALYSIS OF ENACTED BUDGET

### Introduction

This section provides an analysis of the enacted budget's funding for each line item in ODA's budget.

Appropriations for the Department of Aging				
Fund	ALI and Name		FY 2012	FY 2013
<b>General Revenue Fund</b>				
GRF	490321	Operating Expenses	\$1,501,616	\$1,502,442
GRF	490410	Long-Term Care Ombudsman	\$482,271	\$482,271
GRF	490411	Senior Community Services	\$7,130,952	\$7,131,236
GRF	490414	Alzheimer's Respite	\$1,917,740	\$1,917,757
GRF	490423	Long Term Care Budget – State	\$3,419,250	\$3,419,250
GRF	490506	National Senior Service Corps	\$241,413	\$241,413
<b>General Revenue Fund Subtotal</b>			<b>\$14,693,242</b>	<b>\$14,694,369</b>
<b>General Services Fund Group</b>				
4800	490606	Senior Community Outreach and Education	\$372,518	\$372,523
<b>General Services Fund Group Subtotal</b>			<b>\$372,518</b>	<b>\$372,523</b>
<b>Federal Special Revenue Fund Group</b>				
3220	490618	Federal Aging Grants	\$14,000,000	\$14,000,000
3C40	490623	Long Term Care Budget	\$3,525,000	\$3,525,000
3M40	490612	Federal Independence Services	\$63,655,080	\$63,655,080
<b>Federal Special Revenue Fund Group Subtotal</b>			<b>\$81,180,080</b>	<b>\$81,180,080</b>
<b>State Special Revenue Fund Group</b>				
4C40	490609	Regional Long-Term Care Ombudsman Program	\$935,000	\$935,000
5BA0	490620	Ombudsman Support	\$750,000	\$750,000
5K90	490613	Long Term Care Consumers Guide	\$1,059,400	\$1,059,400
5W10	490616	Resident Services Coordinator Program	\$344,692	\$344,700
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$3,089,092</b>	<b>\$3,089,100</b>
<b>Total Funding: Department of Aging</b>			<b>\$99,334,932</b>	<b>\$99,336,072</b>

### Operating Expenses (490321)

This GRF line item supports operating expenses for ODA. Some of the funding in 490321 is dedicated specifically for program-related activities within other program areas and is used as required match to leverage federal or other funds.

The budget provides funding of \$1,501,616 in FY 2012, a decrease of 7.1% from FY 2011 expenditures of \$1,616,759. In FY 2013, the budget provides funding of \$1,502,442.

### **Ombudsman Activities (490410, 490609, and 490620)**

These line items provide funding for ombudsman activities. Each specific line item is discussed in more detail below. The Ombudsman Program advocates for long-term care consumers who are receiving home and community-based services and residents of nursing homes, residential facilities, and adult care facilities. Ombudsmen also voice consumer needs and concerns to policymakers and providers. They investigate and attempt to resolve consumer complaints about long-term care services. Ombudsmen create a regular presence in all long-term care facilities through many activities such as complaint handling, provider education, regular visitation, and work with resident councils and family councils. The program is run by the State Ombudsman, in collaboration with Ohio's 12 regional programs. The Ombudsman Program is not a regulatory body; instead it relies on education, negotiation, and mediation to resolve problems. However, the Ombudsman Program does work with regulatory agencies when necessary. In FY 2010, the program provided visitation, information, community education, and other advocacy to over 164,000 individuals. Additionally, Ombudsmen worked on almost 6,500 cases. The program relies heavily on volunteers to help create a presence in long-term care facilities. According to ODA's web site, there were more than 460 Ombudsmen volunteers in 2009. These volunteers contributed almost 20,000 hours of service and made over 9,000 visits to facilities (70% of all such visits). The most common complaints relate to discharge issues. Ombudsmen respond to complaints that allege harm within one business day. For other types of complaints, the average length of time between intake and initiating an investigation was 3.7 days for 2009.

GRF line item 490410, Long-Term Care Ombudsman, provides funding to support the investigation of complaints against providers of long-term care services for the elderly. The budget provides funding of \$482,271 in each fiscal year, a decrease of 21.3% from FY 2011 expenditures of \$613,045.

Line item 490609, Regional Long-Term Care Ombudsman Program, pays operating costs of the regional programs. Revenue from the \$6 bed fee charged to nursing homes, residential care facilities, and homes for the aging are deposited into Fund 4C40, Long-Term Care Ombudsman Program, and used to fund spending from the line item. The budget provides funding of \$935,000 in each fiscal year, an increase of 9.5% over FY 2011 expenditures of \$853,843.

Line item 490620, Ombudsman Support, helps fund the Office of the State Long-Term Care Ombudsman and regional ombudsman programs to promote

person-centered care in nursing homes. This line item is supported by Fund 5BA0, Ombudsman Support. The Ombudsman Support Fund receives cash transfers from Fund 4E30, Resident Protection, which is used by ODJFS. In FY 2005 and in FY 2006, \$615,000 was transferred. There were no transfers made in FY 2007. In FY 2008, FY 2009, FY 2010, and FY 2011, \$600,000 was transferred. The budget provides funding of \$750,000 in each fiscal year, which represents an increase of 25.0% over FY 2011 expenditures of \$600,000.

In addition to the appropriations described above, the Ombudsman Program receives some funding from the following line items: GRF line item 490321, Operating Expenses, federal line item 490618, Federal Aging Grants (Fund 3220), and federal line item 490612, Federal Independence Services (Fund 3M40). Funds provided through line item 490612 are provided by the Older Americans Act. Regional ombudsman programs obtain some local funds through sources such as United Way, county levies, etc.

H.B. 153 specifies that long-term acute care hospitals are long-term care facilities. Thus, these entities are subject to the authority of the Office of the State Long-Term Care Ombudsman and like other long-term care facilities must pay the annual fee of \$6 per bed to fund the regional ombudsman programs, thus, increasing revenue. Any additional revenue collected would be deposited into Fund 4C40.

### **Senior Community Services (490411)**

This GRF line item is used to provide community-based services to help seniors live independently in their homes and communities for as long as possible. These funds are used to provide matching dollars for Older Americans Act Title III Part B (Supportive Services), C (Congregate and Home Delivered Meals), and D (Preventive Health) funds and also to help satisfy the state's match obligations to draw down various other federal funds.

The program targets individuals who are frail and impaired and not served through PASSPORT. In FY 2010, approximately 8,500 individuals received a variety of in-home services through this line item. According to ODA, 80% of the individuals who receive senior community services have incomes of less than 150% of the federal poverty level. Recipients may contribute, based on a sliding fee scale, to the cost of their services, which include the following:

- Personal care, homemaker, and adult day and chore services;
- Home-delivered and congregate meals;
- Case management and care coordination;
- Transportation and escort services for medical visits, essential shopping, and other transportation;
- Information reporting;

- Home maintenance and repair; and
- Housing coordination services.

The budget provides funding of \$7,130,952 in FY 2012, an increase of 21.5% over FY 2011 expenditures of \$5,869,977. In FY 2013, the budget provides funding of \$7,131,236. This line item was increased and GRF line item 490414, Alzheimer's Respite, was subsequently decreased at ODA's request in order to help meet match requirements for Older Americans Act dollars. ODA requested to receive a higher appropriation in GRF line item 490411, in order to ensure that state funds are leveraging the most federal dollars. Line item 490411 provides the match for three subsets of the Older Americans Act – Part B (Supportive Services), C (Congregate and Home Delivered Meals), and D ( Preventive Health). On the other hand, the funds provided in line item 490414, Alzheimer's Respite, are used to provide the match for only one subset of the Older Americans Act Title III funds – Part E (National Family Caregiver Support) – and recommended funding is sufficient to meet match requirements. Additionally, funds in line item 490414 can only be used to fund services related to Alzheimer's disease. Since Older American Act funds for Part B are for supportive services, some of the funds in line item 490411 may also be used for Alzheimer's-related services such as respite, caregiver support, and education. As a result, increasing appropriations in line item 490411 will allow AAAs greater flexibility in administering services to individuals.

Even with this transfer of funding from 490414 to 490411, the funds for these services are decreasing from FY 2011 to FY 2012. In FY 2011, total expenditures for both 490411 and 490414 are \$9,910,714. In FY 2012, total appropriations for these two line items are \$9,048,692.

#### **Alzheimer's Respite (490414)**

Appropriations in GRF line item 490414, Alzheimer's Respite, are used to provide respite, support, and education to caregivers of people with Alzheimer's disease or other dementia. In FY 2010, the program served an estimated 19,800 Alzheimer's consumers.

The budget provides funding of \$1,917,740 in FY 2012, a decrease of 52.5% from FY 2011 expenditures of \$4,040,737. In FY 2013, the budget provides funding of \$1,917,757. As stated above, this line item was decreased and GRF line item 490411 was increased at ODA's request in order to help meet match requirements for Older Americans Act dollars. ODA requested to receive a higher appropriation in GRF line item 490411 in order to ensure that state funds are leveraging the most federal dollars.

According to the Alzheimer's Association, one in eight individuals over age 65 is affected by this disease. Caregivers of individuals with Alzheimers or other dementia provide more care than caregivers of other older people. One study found that 40% of

caregivers of individuals with Alzheimers and other dementia provided more than 40 hours a week of assistance as compared to 28% of caregivers of other older people.

### **Long Term Care Administration (490423 and 490623)**

GRF line item 490423, Long Term Care Budget – State, is used for administrative expenses associated with operating PASSPORT, Choices, Assisted Living, and PACE. The budget provides funding of \$3,419,250 in FY 2012 and in FY 2013, a decrease of 97.5% from FY 2011 expenditures of \$134,317,600. The decrease is due to the transfer of long term care program funding to the Ohio Department of Job and Family Services (ODJFS).

Appropriations in line item 490623, Long Term Care Budget, are also used for administrative expenses associated with operating PASSPORT, Choices, Assisted Living, and PACE. Federal reimbursement for administering these programs is deposited into the PASSPORT Fund (Fund 3C40). The budget provides funding of \$3,525,000 in FY 2012 and in FY 2013, a decrease of 99.2% from FY 2011 expenditures of \$422,486,073. Again, the decrease is due to the transfer of long term care program funding to ODJFS.

### **National Senior Service Corps (490506)**

This GRF line item provides a state subsidy for senior volunteer programs. The National Senior Service Corps Program, which is under the jurisdiction of the Corporation for National and Community Service, provides volunteer opportunities to older adult volunteers. The National Senior Service Corps Program is made up of the following three subprograms: the Retired Senior Volunteer Program (RSVP), the Foster Grandparent Program, and the Senior Companion Program. Nearly 18,000 older Ohioans provide services around the state through these programs.

The budget flat funds the program at FY 2011 levels with funding of \$241,413 in each fiscal year.

Descriptions for each of the subprograms are provided below.

#### **RSVP**

RSVP provides Ohioans age 55 and older with volunteer opportunities in their communities that match their skills and availability. Some volunteer activities include building houses, immunizing children, and protecting the environment. Approximately 16,100 volunteers serve more than 1,900 organizations throughout Ohio. Volunteers in the program do not receive any compensation.

#### **Foster Grandparent Program**

The Foster Grandparent Program connects Ohioans age 60 and older with young people with exceptional needs. Approximately 1,100 volunteers serve more than 3,600 children. Volunteers in the program commit approximately 20 hours per week and

receive a small stipend if they meet certain income eligibility levels to offset the cost of volunteering (\$2.65 per hour).

### **Senior Companion Program**

The Senior Companion Program brings together seniors age 60 and older with adults in their community who have difficulty with the tasks of daily living. The volunteers assist with shopping and light chores, interacting with doctors, helping with transportation to appointments, or simply providing friendly interactions. They also offer respite for caregivers. Approximately 580 older adult volunteers help almost 1,500 individuals live independently in their own homes. Volunteers in this program commit approximately 20 hours per week and also receive a small stipend if they meet certain income eligibility levels to offset the cost of volunteering (\$2.65 per hour).

### **Senior Community Outreach and Education (490606)**

This line item supports statewide annual events including Senior Citizens' Day, the Senior Citizens Hall of Fame, and State Fair activities, as well as some efforts to provide training to workers in the field of aging. Registration fees and other revenues from special events activities are deposited in Fund 4800, Senior Citizens Services Special Events.

The budget provides funding of \$372,518 in FY 2012, which is an increase of 105.5% from FY 2011 expenditures of \$181,320. The budget provides funding of \$372,523 in FY 2013. Spending in this line item tends to fluctuate from fiscal year to fiscal year.

### **Federal Aging Grants (490618)**

This line item is used to provide meal reimbursement, senior employment, chronic disease self-management training, Home Energy Assistance Program (HEAP) outreach and assistance, and Alzheimer's training and assistance to those who qualify. A variety of federal grants are deposited into the Federal Special Revenue Fund (Fund 3220) and these moneys are used to provide funds for programs such as the Senior Community Service Employment Program and the Senior's Farm Market Nutrition Program.

The budget provides funding of \$14.0 million in each fiscal year, which represents an increase of 22.3% from FY 2011 expenditures of \$11,444,189. This is due to an increase in the number of federal grant awards received by ODA.

Three of the programs funded with this line item are discussed in more depth below.

### **Senior Farmers' Market Nutrition Program**

The Senior Farmers' Market Nutrition Program is funded with a grant from the U.S. Department of Agriculture. The program provides nutrition information and

vouchers for locally grown produce to income-eligible adults aged 60 and older. In order to be eligible, an individual must reside in a participating area and have a household income that is \$20,036 or less for a household of one person and \$27,955 or less for a household of two persons (amounts increase as household size increases). ODA works in collaboration with AAAs to offer the program in 44 counties. The program operates from June through October each year and eligible individuals receive ten \$5.00 vouchers that can be used at participating farmers' markets and roadside stands. In FY 2010, the Senior Farmers' Market Nutrition Program provided \$1.6 million in produce to 31,784 older adults through 410 local farmers.

### **HEAP**

HEAP provides financial assistance to low-income residents to help meet heating costs. The Ohio Department of Development manages HEAP and provides funds each year to ODA for HEAP outreach. ODA provides outreach grants to local AAAs to distribute applications, assist applicants with the forms, and promote the program.

### **Senior Community Services Employment**

The Senior Community Services Employment Program is a training and work experience program. Training opportunities exist for the following types of positions: receptionists, typists, secretarial assistants, nutrition aides, security guards, maintenance workers, etc. Participants may train in nonprofits, hospitals, schools, senior centers, and/or other governmental agencies. To be eligible, an individual must be age 55 or older, cannot have an annual income that exceeds 125% of the federal poverty level, are unemployed, and are U.S. citizens or legal residents. Participants are placed in an assignment for 20 hours per week and are paid state or federal minimum wage, whichever is higher. According to ODA, the program is offered statewide. However, ODA's funding supports participants in 31 Ohio counties. One community-based organization was selected to provide program administration. The remaining counties are served by grantees that receive funds directly from the U.S. Department of Labor. ODA provides the administrative match through GRF line item 490321, Operating Expenses, which dedicates approximately \$16,000 per fiscal year to the program.

ODA received federal stimulus funds through ARRA, which were deposited into Fund 3220 to support the program. Between March 18, 2009 and June 30, 2010, ODA received \$1.0 million, which supported 107 additional participants.

### **Federal Independence Services (490612)**

This line item provides for social services for older adults, congregate and home-delivered meals, and Ombudsman activities. Fund 3M40, Federal Supportive Services, consists of Older Americans Act (OAA) Title III Supportive Services, In-Home Services,

Preventive Health, Caregiver Support, Elder Abuse Prevention, and Ombudsman Services funds.

The federal OAA funds supportive services (Title III B), congregate and home-delivered meals (Title III C), disease prevention and health promotion (Title III D), and the National Family Caregiver Support Program (Title III E). The Nutrition and Support Services Program includes funding under Title III B, C, and D. Some of the services authorized by Title III of the OAA include the following: chore services, counseling, adult day care, education, employment, escort, friendly visitor, health services, home health aide, home maintenance, homemaker, information/referral, legal services, congregate meals, home-delivered meals (Meals on Wheels), outreach, protective services, recreation, respite care, telephone reassurance, and transportation. The purpose of these funds is to help older adults maintain their physical health and prevent the onset of disabling disease. As a result, these funds are used to support exercise classes, walking programs, and other wellness activities at local senior centers.

ODA received federal stimulus dollars through ARRA, which were deposited into Fund 3M40 to support senior nutrition. Between March 18, 2009 and September 30, 2010, ODA received \$3.7 million. Of this amount, \$2.4 million was used to provide home-delivered meals to 9,261 consumers. The remaining \$1.3 million was used to provide congregate meals to 31,044 consumers.

The budget provides funding of \$63,655,080 in each fiscal year, an increase of 25.0% over FY 2011 expenditures of \$50,940,420. Of the total appropriation, the vast majority goes towards home, community, and caregiver support services described above; a small percentage goes towards Ombudsman Support Program activities.

### **Long Term Care Consumers Guide (490613)**

This line item is used to publish the web-based Ohio Long Term Care Consumers Guide. Fund 5K90, Long Term Care Consumers Guide, consists of fees paid by nursing facilities and residential care facilities.

The goal of the guide is to provide timely, comparative information about the 594 residential care facilities and almost 1,000 nursing homes serving Ohioans. The site provides information on each facility's inspection report from the Ohio Department of Health, along with statewide averages. The site also provides consumer satisfaction information, which is based on surveys of families and residents. The consumer satisfaction surveys provide quality incentive measures used by ODJFS in its quality incentive payment for nursing facilities. Additionally, nursing homes can add information about bed capacity, policies, staffing levels, specialization, and quality. ODA conducts two surveys in alternate years; one is a Nursing Home Family Satisfaction Survey and the other a Resident Satisfaction Survey that includes information on both nursing facilities and residential care facilities. In calendar year

2011, the Resident Satisfaction Survey will be conducted. However, the survey will only include individuals in residential care facilities due to funding levels. Survey information can be viewed at [www.ltcoho.org](http://www.ltcoho.org). In FY 2010, there was an average of over 4,800 monthly visitors to the web site.

The budget provides funding of \$1,059,400 in each fiscal year, which represents an increase of 317.7% over FY 2011 expenditures of \$235,631. H.B. 153 increases the annual fee (that is used to help with expenses associated with the publication of the consumer guide) that may be charged to nursing homes by \$250 (from \$400 to \$650). ODA anticipates that this will increase revenues by \$240,500 in each fiscal year. Some of the increase in FY 2012 is due to this. Another reason for the increase is the fact that surveys are cyclical – The Family Satisfaction Survey is completed in one year and the Resident Satisfaction Survey is completed the next. In FY 2011, the Family Satisfaction Survey was conducted. This survey tends to be less expensive since it is mailed to the family of residents. The Resident Satisfaction Survey, which will be conducted in FY 2012, is more costly since surveys are conducted "in person" at nursing homes or residential care facilities. Lastly, ODA anticipates that web site updates will also be completed in FY 2012.

H.B. 153 provides that ODA may charge certain long-term care facilities annual fees, which are to be used for the publication of the consumer guide rather than for conducting annual customer satisfaction surveys, which is specified in existing law. H.B. 153 also permits ODA to include information regarding adult care facilities and providers of home and community-based services in the consumer guide. Lastly, H.B. 153 specifies that during FY 2012 and FY 2013, ODA is required to identify methods and tools for assessing consumer satisfaction with adult care facilities and with the providers of home and community-based services. ODA is to consider the development of a provider fee structure to support the inclusion of information about adult care facilities and providers of home and community-based services into the Guide.

### **Resident Services Coordinator (490616)**

This line item is used to support the Resident Services Coordinator Program. Fund 5W10, Resident Services Coordinator Program, receives a grant each year from the Ohio Housing Trust Fund in the Ohio Department of Development to fund the program. ODA awards funds to nine local sub-grantee agencies, which employ, train, monitor, and supervise part-time service coordinators. The coordinators provide information and referrals, not services, to low-income and special-needs tenants, including the elderly, who live in financially assisted rental housing units. Additionally, the program helps those individuals identify and obtain community services and benefits for which they are eligible.

The budget provides funding of \$344,692 in FY 2012 and \$344,700 in FY 2013. The FY 2011 expenditure is \$329,692.

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# FY 2012 - FY 2013 Final Appropriation Amounts

# All Fund Groups

Line Item Detail by Agency			Appropriations		FY 2011 to FY 2012	Appropriations		FY 2012 to FY 2013
			FY 2010	FY 2011	FY 2012	% Change	FY 2013	% Change
<b>Report For Main Operating Appropriations Bill</b>			<b>Version: Enacted</b>					
<b>AGE Department of Aging</b>								
GRF	490321	Operating Expenses	\$ 1,447,593	\$ 1,616,759	\$ 1,501,616	-7.12%	\$ 1,502,442	0.06%
GRF	490403	PASSPORT	\$ 16,948	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	490409	AmeriCorps Operations	\$ 139,230	\$ 142,622	\$ 0	-100.00%	\$ 0	N/A
GRF	490410	Long-Term Care Ombudsman	\$ 646,976	\$ 613,045	\$ 482,271	-21.33%	\$ 482,271	0.00%
GRF	490411	Senior Community Services	\$ 6,982,662	\$ 5,869,977	\$ 7,130,952	21.48%	\$ 7,131,236	0.00%
GRF	490412	Residential State Supplement	\$ 5,210,281	\$ 4,623,892	\$ 0	-100.00%	\$ 0	N/A
GRF	490414	Alzheimer's Respite	\$ 4,130,605	\$ 4,040,737	\$ 1,917,740	-52.54%	\$ 1,917,757	0.00%
GRF	490423	Long Term Care Budget - State	\$ 97,916,959	\$ 134,317,600	\$ 3,419,250	-97.45%	\$ 3,419,250	0.00%
GRF	490506	National Senior Service Corps	\$ 268,237	\$ 241,413	\$ 241,413	0.00%	\$ 241,413	0.00%
<b>General Revenue Fund Total</b>			<b>\$ 116,759,493</b>	<b>\$ 151,466,044</b>	<b>\$ 14,693,242</b>	<b>-90.30%</b>	<b>\$ 14,694,369</b>	<b>0.01%</b>
4800	490606	Senior Community Outreach and Education	\$ 117,942	\$ 181,320	\$ 372,518	105.45%	\$ 372,523	0.00%
5GN0	490605	OCSC Gifts and Donations	\$ 0	\$ 21,200	\$ 0	N/A	\$ 0	N/A
<b>General Services Fund Group Total</b>			<b>\$ 117,942</b>	<b>\$ 202,520</b>	<b>\$ 372,518</b>	<b>83.94%</b>	<b>\$ 372,523</b>	<b>0.00%</b>
3220	490618	Federal Aging Grants	\$ 9,416,884	\$ 11,444,189	\$ 14,000,000	22.33%	\$ 14,000,000	0.00%
3C40	490607	PASSPORT	\$ 25,324	\$ 0	\$ 0	N/A	\$ 0	N/A
3C40	490623	Long Term Care Budget	\$ 397,914,495	\$ 422,486,073	\$ 3,525,000	-99.17%	\$ 3,525,000	0.00%
3M40	490612	Federal Independence Services	\$ 54,149,493	\$ 50,940,420	\$ 63,655,080	24.96%	\$ 63,655,080	0.00%
3R70	490617	AmeriCorps Programs	\$ 6,776,124	\$ 6,680,582	\$ 0	-100.00%	\$ 0	N/A
<b>Federal Special Revenue Fund Group Total</b>			<b>\$ 468,282,320</b>	<b>\$ 491,551,265</b>	<b>\$ 81,180,080</b>	<b>-83.48%</b>	<b>\$ 81,180,080</b>	<b>0.00%</b>
4C40	490609	Regional Long-Term Care Ombudsman Program	\$ 1,133,569	\$ 853,843	\$ 935,000	9.50%	\$ 935,000	0.00%
4J40	490610	PASSPORT/Residential State Supplement	\$ 38,563,984	\$ 48,263,984	\$ 0	-100.00%	\$ 0	N/A
4U90	490602	PASSPORT Fund	\$ 2,225,225	\$ 1,948,227	\$ 0	-100.00%	\$ 0	N/A
5AA0	490673	Ohio's Best Rx Administration	\$ 52,657	\$ 0	\$ 0	N/A	\$ 0	N/A
5BA0	490620	Ombudsman Support	\$ 600,000	\$ 600,000	\$ 750,000	25.00%	\$ 750,000	0.00%
5K90	490613	Long Term Care Consumers Guide	\$ 1,037,707	\$ 253,631	\$ 1,059,400	317.69%	\$ 1,059,400	0.00%
5W10	490616	Resident Services Coordinator Program	\$ 626,127	\$ 329,588	\$ 344,692	4.58%	\$ 344,700	0.00%
6240	490604	OCSC Community Support	\$ 589,972	\$ 174,072	\$ 0	-100.00%	\$ 0	N/A

# FY 2012 - FY 2013 Final Appropriation Amounts

# All Fund Groups

Line Item Detail by Agency	FY 2010	FY 2011	Appropriations FY 2012	FY 2011 to FY 2012 % Change	Appropriations FY 2013	FY 2012 to FY 2013 % Change
<b>AGE Department of Aging</b>						
State Special Revenue Fund Group Total	\$ 44,829,242	\$ 52,423,345	\$ 3,089,092	-94.11%	\$ 3,089,100	0.00%
<b>Department of Aging Total</b>	<b>\$ 629,988,998</b>	<b>\$ 695,643,174</b>	<b>\$ 99,334,932</b>	<b>-85.72%</b>	<b>\$ 99,336,072</b>	<b>0.00%</b>