

Illinois Department on Aging



John K. Holton, PhD, Director

Pat Quinn, Governor

Fiscal Year 2015 Introduced Budget Network Briefing

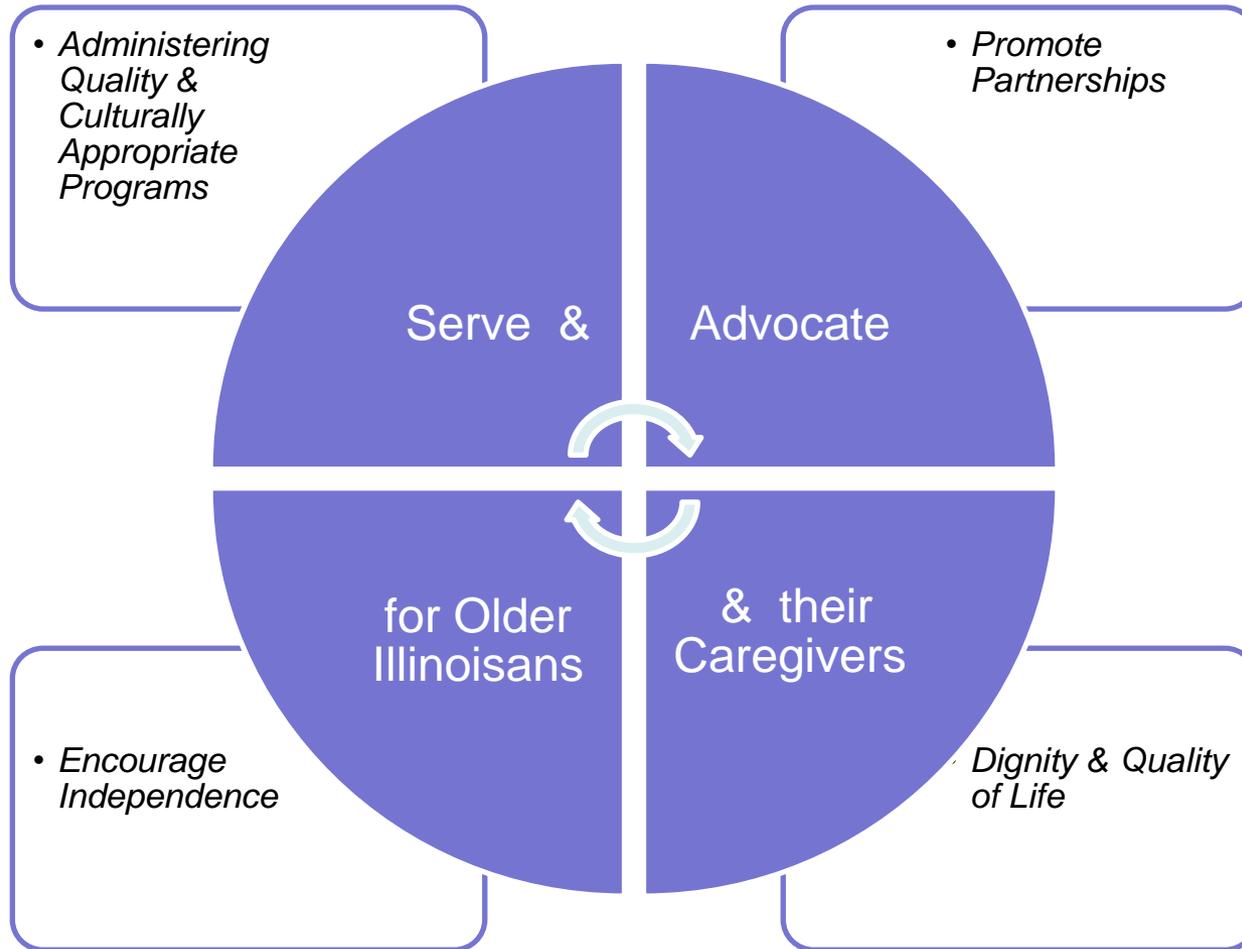
March 26, 2014

Governor's FY15 Fiscal Strategy

Securing Illinois Financial Future

- **Stable, predictable State finances**
 - No prior year liability carried forward in the Community Care Program (CCP)
- **Continue to pay down the backlog of bills**
 - Maintain timely payments which reduces the need for expedited payments request and prompt payment interest
- **Continued efficiencies and fiscal disciplines**
 - Implementation of strategies to increase efficiencies [which have included: electronic visit verification (EVV), improved Medicaid enrollment, and improved service authorization guidelines]

Illinois Department on Aging Mission



Agency Operations Summary

- Created in 1973 by Public Act 78-242 (or 20 ILCS 105/), the Department administers a comprehensive service delivery system to serve the State's growing 2.23 million older adults and their caregivers.
- Services are provided in coordination with 13 Area Agencies on Aging and their sub-contractors, and various direct IDoA contractors that include: 37 Case Coordination Units and 149 CCP service provider agencies across all 102 Illinois counties.
- The Department serves as the single state agency to receive funds under the Federal Older Americans Act for community supportive services.
- The Department's major programs and services include the following:
 - Community Care Program (CCP)
 - Adult Protective Services (APS)
 - Long Term Care Ombudsman Program (LTCOP)
 - Senior Health Insurance Program (SHIP), and
 - Older American Act (i.e., nutritional programs, transportation, senior employment, & caregiver support) and others to improve the health and welfare of older adults.

Illinois' older population (60+) numbered 2.23 million in 2011, an increase of 273,000 or almost 14% since 2000, and is projected to increase to 3.68 million or 24.3% in 2030.

Source: US Census Data and DCEO County Populations Projections.

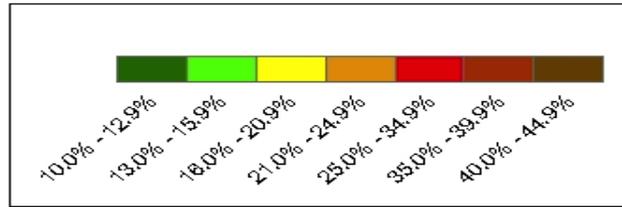
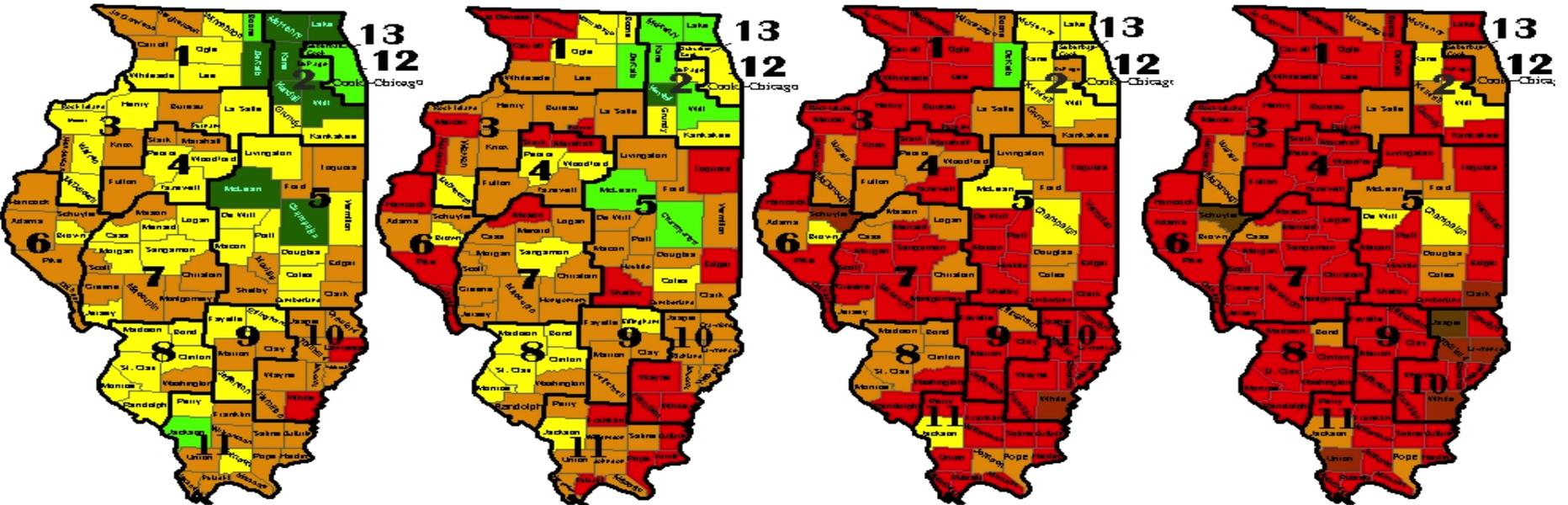
Illinois Population 60+ By County

2000

2010

2020

2030



Illinois Department on Aging
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 December 7, 2012

FY15 Budget Request Highlights

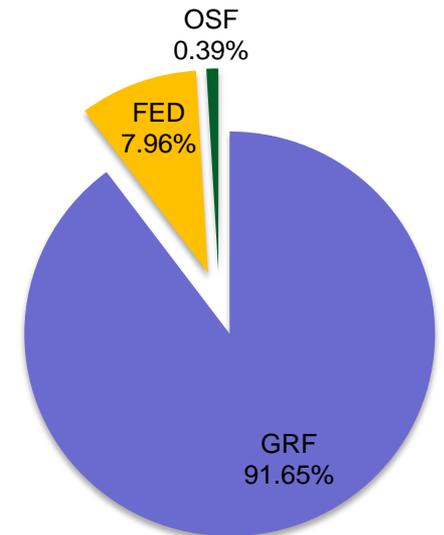
- The Fiscal Year 2015 introduced budget for the Department totals approximately \$1.28 billion, which is an increase of \$155 million, or 13.8% over the FY14 enacted appropriation.
- *The General Revenue funds* budget totals approximately \$1.17 billion, and represents an increase of \$139.1 million, or 13.5% over the FY14 budget. The maintenance increases include:
 - > \$68.9 million to transfer 20,000 Medicaid CCP clients to Capitated Coordinated Care
 - > \$32.5 million for IDoA for transition and rebalancing initiatives pursuant to the Colbert Consent Decree to move eligible persons out of nursing homes
 - > \$24.4 million to maintain community care services and case management
 - > \$3.8 million for increase Adult Protective Services abuse investigations
 - > \$3.5 million for continuation of IDoA's Balance Incentive Program projects
 - > \$1.8 million to administer the LTC Ombudsman Program mandates
 - > \$1.5 million for collective bargaining negotiated adjustments

FY15 Budget Request Highlights

- ***Direct Federal budget funds*** totals \$101.6 million, which is an increase of \$16 million, or 18.6 % from the FY14 appropriation for added spending authority. The adjustments reflect the following:
 - > \$5 million for Title III Older Americans Act Social Services
 - > \$10 million for Nutritional Programs
- ***The Other State Funds*** budget totals \$4.95 million which were kept flat at the current year level.

Appropriations by **Funding Source and Distribution**

(\$ in 000s)	FY13 Enacted Budget* (Adj.)	FY14 Enacted Budget	FY15 Introduced Budget	FY15 over FY14 \$ Change	FY15 over FY14 % Change.
All Funds	\$1,201,157.8	\$1,121,437.3	\$1,276,469.2	\$155,031.9	13.8%
General Revenue	\$1,100,139.8	\$1,030,854.3	\$1,169,935.0	\$139,080.7	13.5%
Direct Federal Funds	\$88,073.0	\$85,638.0	\$101,589.1	\$15,951.1	18.6%
Other State Funds (OSF)	\$12,945.0	\$4,945.0	\$4,945.0	\$0.0	0.0%



*The adjusted FY13 budget includes \$315 million in Spring supplemental funds for prior unfunded CCP liability.

Illinois Department on Aging



Fiscal Year 2015 Highlights by Programmatic Areas

Community Care Program (CCP) Services

- The Community Care Program serves as a viable and cost effective alternative to nursing facilities as all participants are eligible for nursing facility placement. The program is also partially supported by a 1915(c) Federal Medicaid waiver.
- CCP participants receive a holistic array of CCP services to facilitate independence for as long as possible in the most integrated community-based setting of their choice. CCP core services in FY15 include: in-home service, adult day service, emergency home response service, and automated medication device service.
- In fiscal year 2015, approximately 82,600 older adults will be served on an average monthly basis under the Community Care Program fee-for service program.
- The CCP caseload average reflects the projected net results after accommodating for 20,000 CCP Medicaid clients that will be transferred to the capitated coordinated care program under the Medicare Medicaid Alignment Initiative during FY15.

During the last Spring legislative session, the General Assembly passed Public Act 98-0098 or HB2275 that established significant programmatic and fiscal reforms to manage the Community Care Program. In support of eliminating the practice of rolling over unfunded liability from one fiscal year to the other, the Act includes the following major provisions:

- **Service Authorization Guidelines** for Case Coordination Units that became effective on May 1, 2013.
- Mandating **Electronic Visit Verification (EVV)** for all In-Home Service provider agencies that was fast tracked as a cost savings measure by the Administration and became effective on July 1, 2013. Currently, all provider agencies are EVV compliant.
- Adoption of a **7-minute rounding** policy for billing CCP service units - which the Department implemented on May 1, 2013.
- Focus on improving **CCP Medicaid enrollment** to maximize federal receipts, which is ongoing and has been aided by a root cause analysis and increased field monitoring and onsite reviews. The required stakeholders are ongoing meetings and are informing substantive reform activities.
- Partner with HFS and other agencies on the **Balance Incentive Program** to secure enhanced federal match to strengthen the capacity and delivery system of Illinois long term care system (i.e., development of the uniform assessment tool for services, conflict free case management, and coordinated point-of-entry).

Community Care Program FY15 Budget Allocation

The CCP services budget funds:

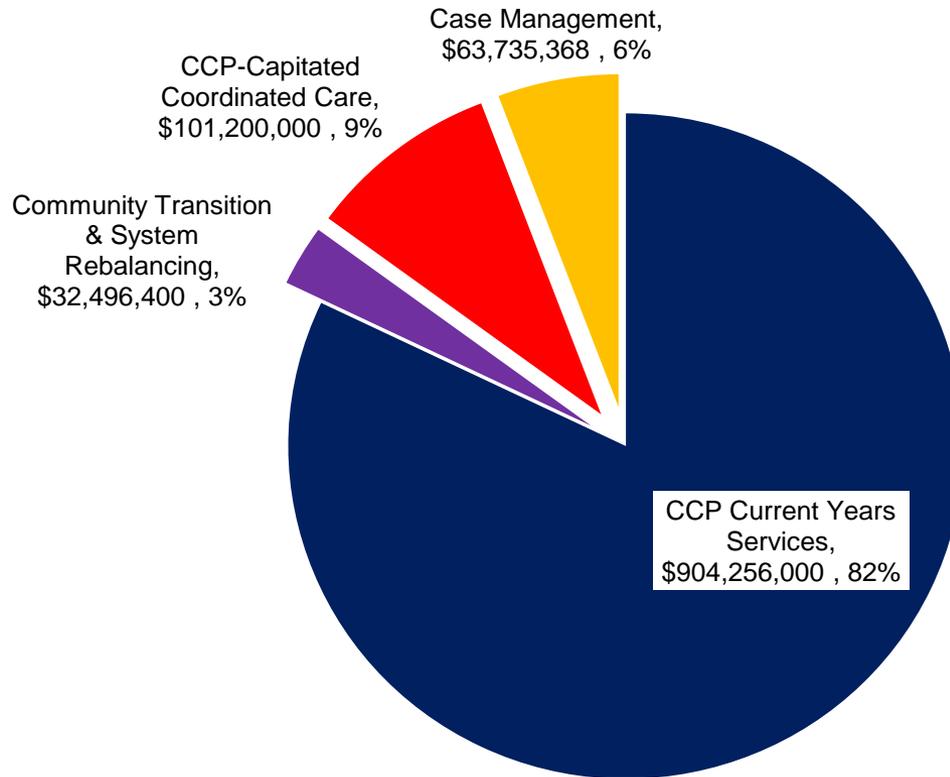
- CCP overall monthly caseload averaging approximately 82,600 and increased service utilization,
- Implementation of the Colbert Consent Decree, and
- Transfer of approximately 20,000 CCP clients to managed care (under MMAI)

Community Care Program Budget (\$ in thousands)	FY13	FY14	FY15	FY15 over FY14 Budget	
	Adjusted Budget	Enacted Budget	Introduced Budget	\$ Change	% Change
CCP Current Year Services	\$838,124.4	\$882,821.4	\$904,256.0	\$21,434.6	2.4%
CCP Prior Year (PY) Liability	\$173,000.0	\$0.0	\$0.0	\$0.0	0.0%
Community Transition & System Rebalancing	\$0.0	\$0.0	\$32,496.4	\$32,496.4	100%
CCP - Capitated Coordinated Care	\$0.0	\$32,230.0	\$101,200.0	\$68,970.0	214.0%
Sub-Total Services	\$1,011,124.4	\$915,051.4	\$1,037,952.4	\$122,901.0	216.4%
Case Management	\$57,406.4	\$60,757.9	\$63,735.4	\$2,977.5	4.9%
Total Community Care Program (All Funds)	\$1,068,530.8	\$975,809.3	\$1,101,687.8	125,878.5	221.3%



Community Care Program

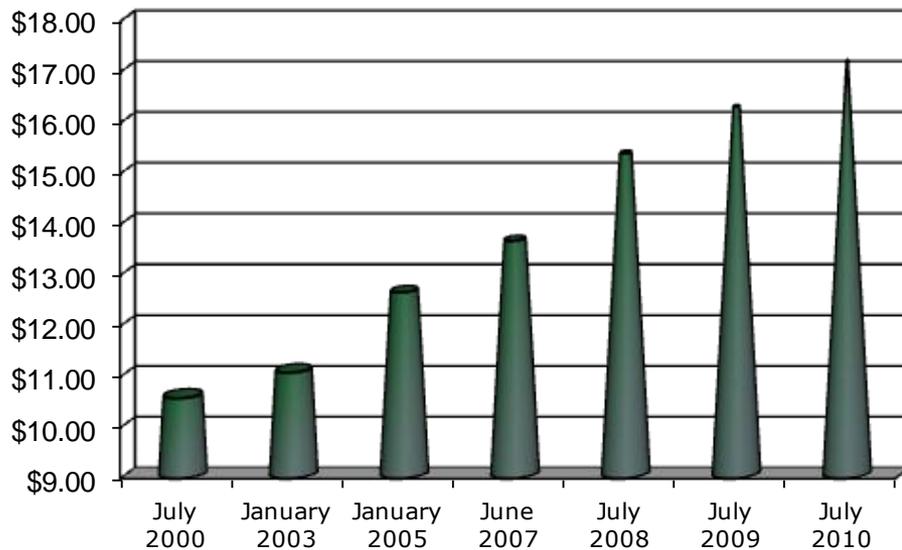
FY15 Budget Request Summary



The FY15 Enacted budget includes **\$1.10 billion** in General Revenue funds for Community Care Program Services.

In-Home Service

Fee-for-Service Reimbursement Hourly Rate History Summary



Effective Date	Rate	\$ Change	% Change
1-Jul-10	\$17.14	\$0.91	5.6%
1-Jul-09	\$16.23	\$0.91	5.9%
1-Jul-08	\$15.32	\$1.70	12.5%
1-Jun-07	\$13.62	\$1.00	7.9%
1-Jan-05	\$12.62	\$1.56	14.1%
1-Jan-03	\$11.06	\$0.50	4.7%
1-Jul-00	\$10.56	\$0.26	2.5%

**The unit rate for the health insurance benefit for eligible homecare providers is \$1.61 per hour.*

Medicaid Reform & Managed Care

- Public Act 96-1501 established policy reforms to improve care coordination and the redesign of Illinois' healthcare delivery system to be more patient-centered, while focusing on improved health outcomes, enhanced access, patient safety and cost efficiencies.
- The Department of Healthcare and Family Services, in collaboration with the Departments on Aging and Human Services will transfer eligible older adults and persons with disabilities to risk-based managed care programs by 2015, through *The Innovations Project*.
- These risk-based managed care initiatives include:
 - *Retaining Care Coordination Entities* and *Managed Community Care Networks* to provide enhanced case coordination services to older adults and persons with disabilities in the Medicaid Program.
 - The *Integrated Care Program (ICP)* that impacts Community Care Program (CCP) clients who receive Medicaid waiver services in select areas of the State.
 - The *Medicare/Medicaid Alignment Initiative (MMAI)* that will impact CCP clients who are dually eligible for Medicaid and Medicare in the same service area as the ICP.
- The Department's fiscal year 2015 budget request includes \$101.2 million to cover the per member per month (PMPM) share for older adults in CCP who transfer to managed care.



Balancing Incentive Program (BIP) Goals and Status Update

- BIP provides the state an additional 2% FFP on LTC services provided in the home & community between July 2013 and September 2015.
- Illinois agreed to spend at least 50% of LTC funding in the home & community based services and implement three core principles:
 - 1) Develop a core assessment / uniform assessment tool (UAT)
 - 2) Conflict free case management, and
 - 3) A no wrong door approach

IDOA's FY15 budget includes **\$3.5 million** in GRF for's Aging BIP Projects:

- 1) Senior Helpline to act as the required BIP toll-free hotline - \$350K
- 2) Extending Ombudsman protections to persons in Medicaid waivers, as allowed in HB1191 - \$1.35M
- 3) Improving deflection from nursing home placements before they happen - \$1M, and
- 4) Improvements in the Aging & Disability Resource Center/Networks (ADRC/ADRN) and increase inclusion of disability services - \$776K

Colbert Consent Decree Implementation Plan (continued)

- Responsibility for the Colbert Consent Decree Implementation was transferred from the Department of Healthcare and Family Services to the Department on Aging on January 21, 2014.
- Aging is managing Phase II of the Colbert implementation collaboratively with the other co-defendants: Illinois Department of Healthcare and Family Services, Office of the Governor, and the Departments of Public Health and Human Services.
- The Implementation Plan requires outreach, education, evaluation, provision of needed resources and Class Member collaboration in setting transition goals through May 8, 2015, to gather data to develop a cost-neutral plan for effective transition of Colbert Class members in the future.
- Managed Care Organizations (MCOs) are providing transition coordination services. IDoA's Care Coordination Units' (CCUs) responsibilities may include: Determination of Need assessment and service authorization.
- Services necessary to transition may be provided by Community Mental Health Centers (CMHCs), CCUs, Housing Locator Agencies or MCOs. Services post transition are arranged by MCOs and may be provided by CMHCs, CCUs or Centers for Independent Living.
- The FY15 request includes **\$32.5 million in GRF** to administer the Colbert Consent Decree plan.

Adult Protective Services (APS)

- The Department serves as the single Adult Protective Services (APS) agency in the State to investigate allegations of abuse, neglect and exploitation of older adults and adults with disabilities who reside in the community. Services are provided statewide in coordination with 41 provider agencies.
- The Department plans to launch a *statewide education and awareness program* to increase public knowledge of resources available to reduce and prevent abuse, neglect and exploitation.
- The Department will also be expanding its adult *fatality review team* to coordinate the response to deaths that occur as a result of abuse and neglect.
- In fiscal year 2015, the Department will also be initiating services on a statewide basis to older adults and persons with disabilities who *self-neglect*.
- The FY15 request includes **\$23.1 million** in GRF for Adult Protective Services which reflects an increase of \$3.8 million, or almost 20% to respond to increased abuse reports.

FY15 Older Americans Act: Community Supportive Services

- The Department distributes Older Americans Act (OAA) funds to 13 Area Agencies on Aging (AAAs).
- In turn, the AAAs contract with approximately 237 service providers to provide services for older adults at the local level.
- Older Americans Act services includes: Information & Assistance, Home Delivered and Congregate Meals, Preventative Health, Respite, Transportation, Employment, and other supportive services.
- In fiscal year 2015, OAS funds are projected to serve 494,400 or 22% of Illinois' approximately 2.3 million older adults age 60 and over.
- The FY15 budget includes ***\$98.6 million***, which is an increase of \$16 million or 19.3% in spending authority for OAA funds.

- The LTCOP provides outreach, education and refers Medicaid eligible persons residing in licensed facilities to the Pathways to Community Living Program, formally referred to as MFP. Since March 2010, Ombudsmen have made over 2,000 MFP referrals and have provided 7,734 MFP Consultations.
- With the three (3) consent decrees, Williams, Ligas, and Colbert, the LTCOP role has been expanded to inform this population of their right to transition and their right of choice.
- The budget request maintains funding to enable the LTCOP to attain the Institute of Medicine recommended ratio of 1 FTE paid ombudsman to 2,000 licensed beds.
- On February 22, 2013, the Department of Healthcare and Family Services entered into a memorandum of understanding with Federal CMS to begin a demonstration project to provide integrated benefits to Medicare-Medicaid enrollees in targeted geographic areas. With the infrastructure in place, legislation was passed during the 98th General Assembly to expand the legal authority of the LTCOP to serve and advocate on behalf of Medicaid and managed care participants regardless of where they reside.
- The FY15 budget request includes **\$7.25 million** in all funds to support the LTC Ombudsman Program, of which, General Revenue funds constitute \$3.1 million.

Community Supportive Services

General Revenue Funded Programs (\$ in 000's)	FY13 Budget	FY14 Budget	FY15 Request	FY15 Budget Over FY14 \$ Diff.	FY15 Budget Over FY14 % Diff.
<i>Adult Protective Services</i>	10,000.0	19,259.7	23,100.0	\$3,840.3	19.9%
<i>Senior Employment Program</i>	\$190.3	\$190.3	\$190.3	\$0.0	0.0%
<i>Grandparents Raising Grandchildren</i>	\$300.0	\$300.0	\$300.0	\$0.0	0.0%
<i>Special Training Programs (Incl. Alzheimer's)</i>	\$25.0	\$50.0	\$50.0	\$0.0	0.0%
<i>Exp. for Monitoring and Support Services</i>	\$80.0	\$182.0	\$352.0	\$170.0	93.4%
<i>Exp. of Illinois Council on Aging</i>	\$26.0	\$26.0	\$26.0	\$0.0	0.0%
<i>USDA Lunch Program Administration</i>	\$31.1	\$31.1	\$68.7	\$37.6	120.9%
<i>Senior Helpline</i>	\$1,500.0	\$1,393.9	\$2,218.1	\$824.2	59.1%
<i>Benefits, Eligibility, Assistance & Monitoring</i>	\$0.0	\$1,848.7	\$2,080.8	\$232.1	12.6%
<i>Ombudsman Program</i>	\$1,348.4	\$1,348.4	\$3,100.0	\$1,751.6	129.9%

General Revenue Funded Programs (\$ in 000s)	FY13 Budget	FY14 Budget	FY15 Request	FY15 Budget over FY14 \$ Diff.	FY15 Budget over FY14 % Diff.
Retired Senior and Volunteer Program	\$557.4	\$551.8	\$551.8	\$0.0	0.0%
Planning and Services Grants to AAA	\$5,800.0	\$7,722.0	\$7,722.0	\$0.0	0.0%
Foster Grandparent Program	\$243.8	\$241.4	\$241.4	\$0.0	0.0%
LTC Systems Development	\$246.3	\$243.8	\$243.8	\$0.0	0.0%
HDM and Mobile Food Equipment (Non Formula & Formula funds)	\$10,748.2	\$11,623.2	\$12,541.1	\$917.9	7.9%
Community-Based Services (equal distribution)	\$758.8	\$751.2	\$751.2	\$0.0	0.0%

Community Supportive Services (Continued)

Federal and Other State Funds (OSF) (\$ in 000's)	FY13 Budget	FY14 Budget	FY15 Request	FY15 Budget over FY14 \$ Diff.	FY15 Budget over FY14 % Diff.
National Lunch Program (excl. administrative)	\$1,800.0	\$2,500.0	\$2,500.0	\$0.0	0.0%
Child and Adult Food Care Program	\$200.0	\$200.0	\$200.0	\$0.0	0.0%
Nutrition Services Incentive Program	\$8,500.0	\$8,500.0	\$8,500.0	\$0.0	0.0%
Administration of Senior Meal Program	\$134.0	\$134.0	\$200.0	\$66.0	49.3%
Older Americans Act Training	\$150.0	\$125.0	\$125.0	\$0.0	0.0%
Title III Nutrition Services - Congregate and HDM	\$32,000.0	\$32,000.0	\$42,000.0	\$10,000.0	31.3%
Title III Social Services	\$17,000.0	\$17,000.0	\$22,000.0	\$5,000.0	29.4%
Title V Employment Services (excl. administrative)	\$6,500.0	\$6,500.0	\$6,500.0	\$0.0	0.0%
Title V Employment Services (administrative expenses)	\$300.0	\$300.0	\$300.0	\$0.0	0.0%
Title VII Prevention of ANE	\$500.0	\$500.0	\$500.0	\$0.0	0.0%
Title VII LTC Ombudsman Services	\$1,000.0	\$1,000.0	\$1,000.0	\$0.0	0.0%
Title III D Preventive Health	\$1,000.0	\$1,000.0	\$1,000.0	\$0.0	0.0%

Community Supportive Services (Continued)

Federal and Other State Funds (OSF) (\$ in 000's)	FY13 Budget	FY14 Budget	FY15 Request	FY15 Budget over FY14 \$ Diff.	FY15 Budget over FY14 % Diff.
Expenses for Governmental Discretionary Projects	\$5,000.0	\$3,000.0	\$4,000.0	\$1,000.0	33.3%
National Family Caregiver Support	\$7,500.0	\$7,500.0	\$7,500.0	\$0.0	0.0%
Ombudsman Training and Conference Planning	\$150.0	\$150.0	\$150.0	\$0.0	0.0%
Senior Health Insurance Program (SHIP)	\$3,545.5	\$3,000.0	\$3,000.0	\$0.0	0.0%
Senior Health Assistance Programs (OSF)	\$1,600.0	\$1,600.0	\$1,600.0	\$0.0	0.0%
Medicaid Community Care Program (OSF)	\$9,000.0	\$0.0	\$0.0	\$0.0	0.0%
Long Term Care Ombudsman Fund (OSF)	\$2,000.0	\$3,000.0	\$3,000.0	\$0.0	0.0%

THANK YOU!

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