



# **Choices for Care**

## **Quarterly Data Report**

### **April 2010**

**This report describes the status and progress of Choices for Care, Vermont's Medicaid long term care service system (excluding separate Traumatic Brain Injury and Developmental Services funding/services.) This report is intended to provide useful information regarding enrollment, service delivery, and expenditure trends.**

**The primary data sources are SAMS Choices for Care enrollment and service authorization data maintained by the Division of Disability and Aging Services, Medicaid claims data maintained by HP, and provider reports.**

**We welcome your comments, questions and suggestions.**

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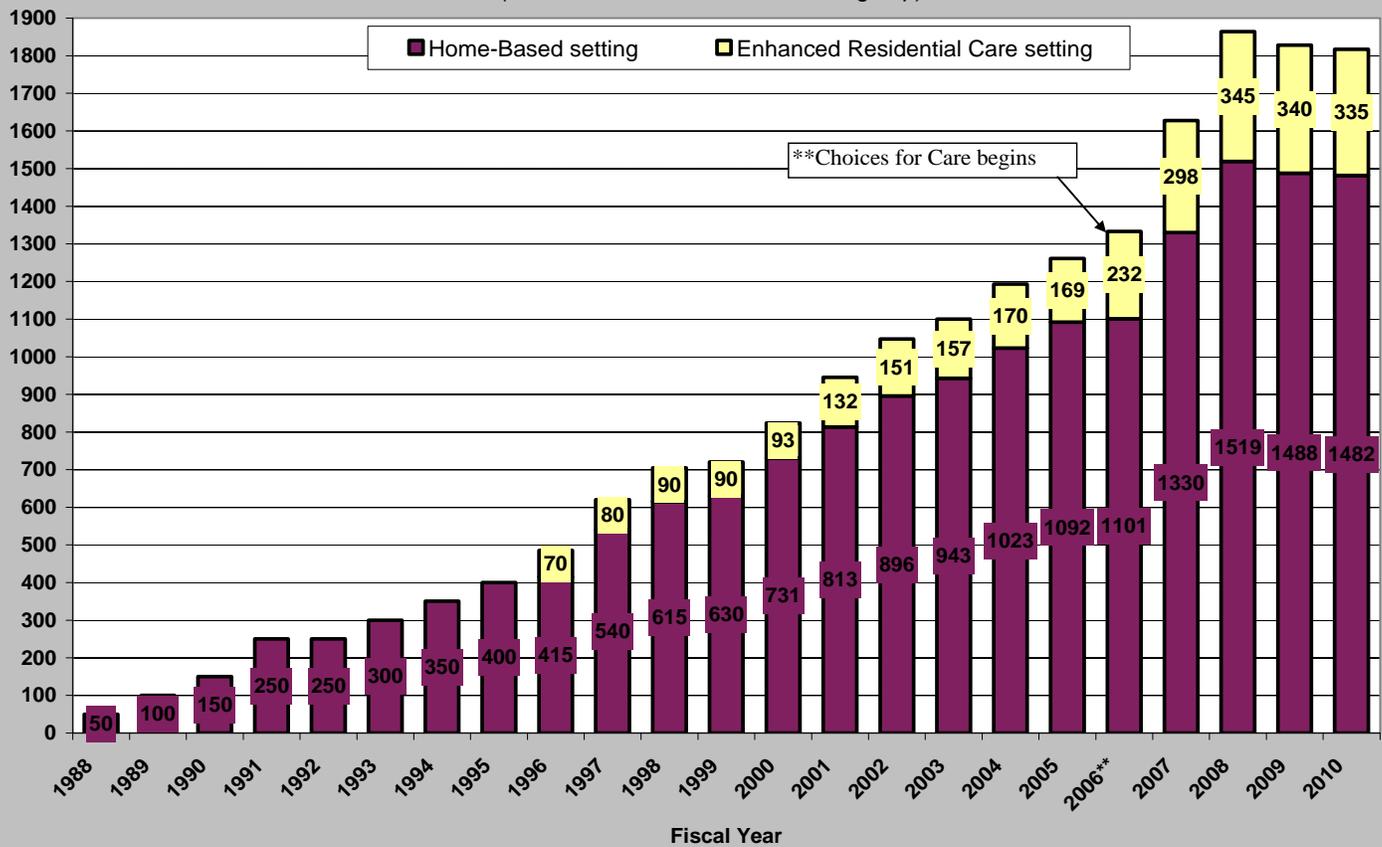
**Note:**

Vermont tracks a variety of process and reviews outcomes in a variety of areas in order to manage the Choices for Care Waiver. These include, but are not limited to:

1. Managing applications, enrollment, and service authorization;
2. Tracking current and retroactive eligibility;
3. Tracking real-time trends in applications, enrollment, service authorization, service settings, individual provider performance, service utilization, and service expenditures;
4. Analyzing expenditures using both 'cash' and 'accrual' methodologies;
5. Predicting future service utilization and costs using both 'cash' and 'accrual' methodologies

Because multiple data sources are used for these purposes, sources may not be integrated or use the same methodologies for entry and extracts. For example, clinical eligibility determinations are tracked in one data base while financial eligibility determinations are tracked in another. The clinical data base may indicate an approval while the financial data is still pending or determined ineligible or vice versa. Due to the different methodologies and purposes, please note that information reported on the CMS64 reports does not match information from other data sources or program reports.

**Numbers of People Served in Aged/Disabled Medicaid Waivers  
Maximum Point-in-Time by Year, sfy1988-sfy2010**  
*(does not include moderate needs group)*



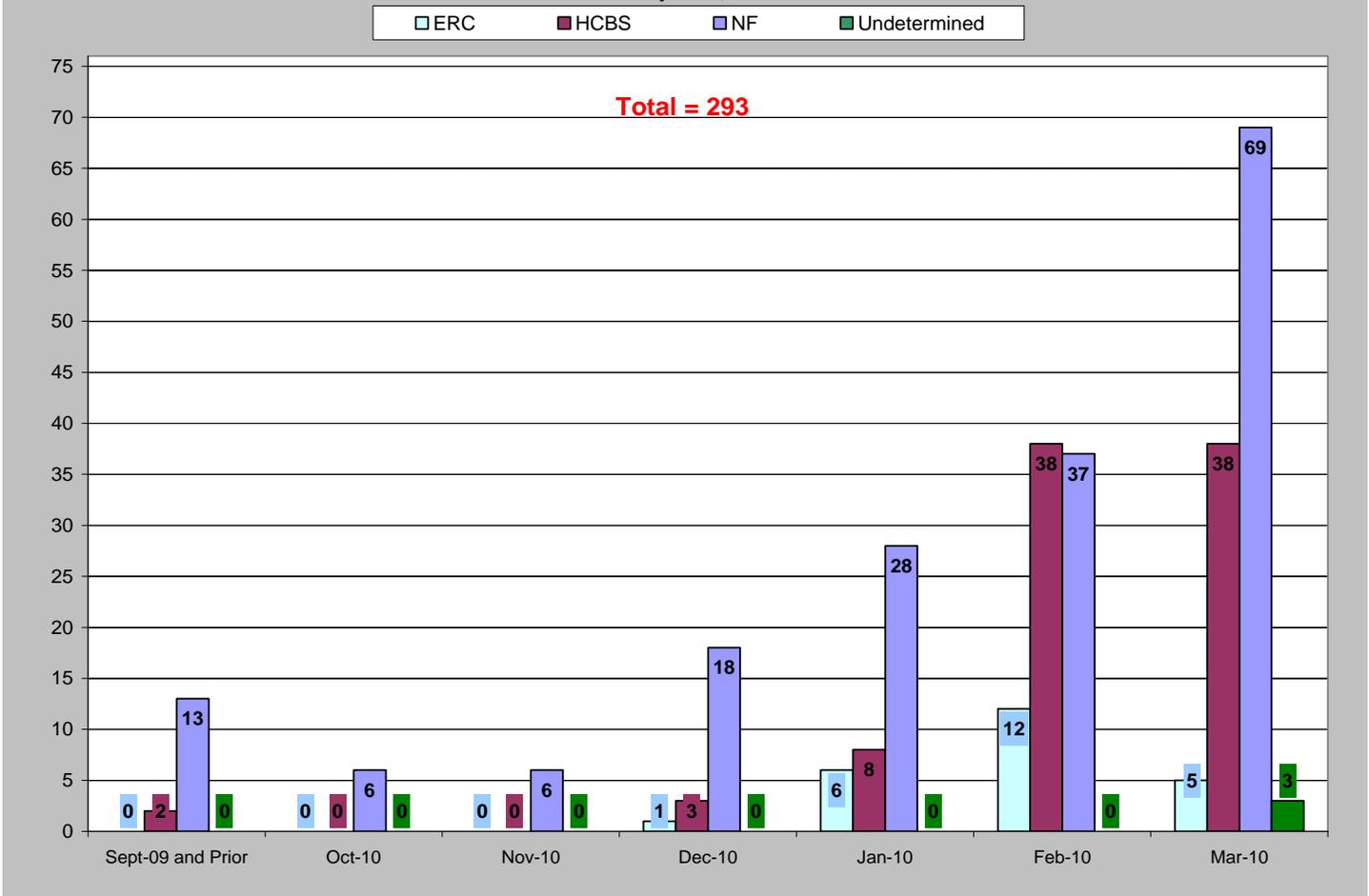
Data source: DAIL/DDAS databases

This graph illustrates the growth in home and community based services in Vermont since sfy1988.

Prior to the implementation of Choices for Care in October 2005, the number of people served increased fairly steadily but this growth was limited by the funding available within each fiscal year. During these years eligible Vermonters were entitled to receive nursing home care under Medicaid but were not entitled to receive home and community-based long term care services as an alternative. Some people were placed on waiting lists until funding for home and community based services became available.

In sfy2007, the number of people enrolled in alternative settings increased by nearly 300, followed by an increase of nearly 240 in sfy2008. These increases were significantly higher than in previous years, with annual increases approaching 20%. The numbers of people served in sfy2009 and sfy2010 decreased a result of the High Needs Group applicant/waiting list, which was imposed to reduce expenditures.

**Choices for Care: Applications 'Pending Medicaid' by Status Date**  
**October 2005 through March 2010**  
*as of April 1, 2010*

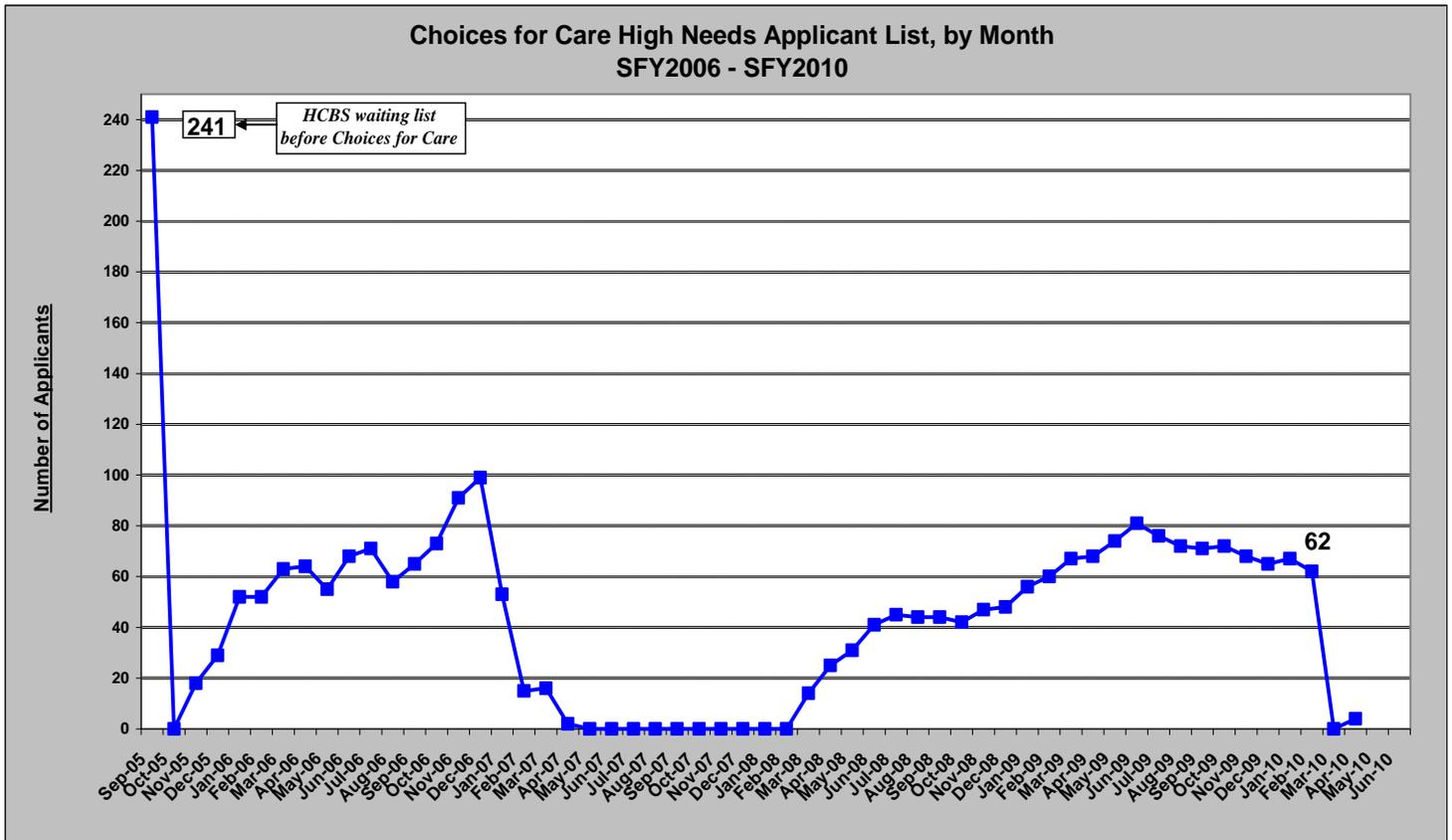


Data source: DAIL/DDAS SAMS database.

One of the goals of Choices for Care is to help Vermonters access long term care services when they need them. One indicator of success in achieving this goal is the time required to process individual applications.

This graph illustrates the length of time required from the date of the clinical eligibility decision to the LTC Medicaid financial eligibility decision. Over time, the number of applications ‘pending Medicaid’ had grown to more than 400. In the past year, this had decreased to about 200, suggesting reduced delays in Medicaid eligibility determinations. This has now increased to nearly 300.

Based on receiving an average of about 300 applications per month, it appears that Medicaid eligibility decisions are made within one month for about 62% of applications, within two months for about 71% of applications, and within three months for about 86% of applications. These percentages are slightly higher than the initial years of Choices for Care, suggesting that Medicaid eligibility determinations are now generally completed more quickly. However, if we are to ensure timely access to services for more people, we should seek additional ways of reducing the time required to process applications.



Data source: DAIL/DDAS SAMS database.

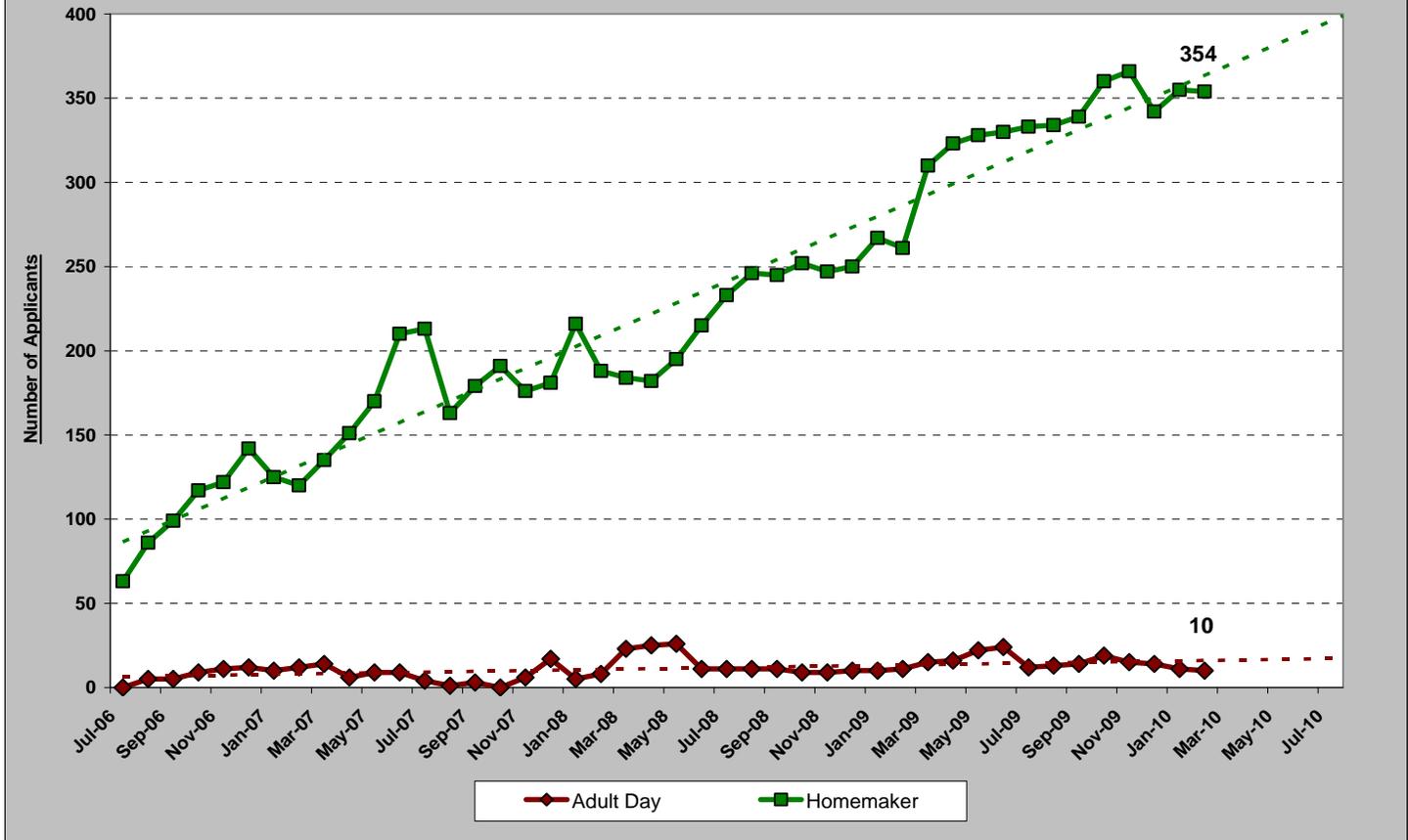
Another indicator of access to services is the number of people on waiting lists. Prior to Choices for Care, applicants for HBS and ERC were routinely placed on waiting lists. The total number of people on waiting lists fell when Choices for Care was implemented in October 2005, when all applicants who met Highest Needs Group eligibility criteria became entitled to the service of their choice.

The High Needs Group was created as a financial ‘safety valve’ in the Choices for Care expanded entitlement to HBS and ERC, allowing DAIL to create a waiting list when expenditure projections exceed the budget. The Choices for Care applicant/waiting list is unique in that it affects people applying for all settings, including nursing homes. In other states, waiting lists are imposed for HCBS but not for nursing home services.

In October 2005, all applicants who met the High Needs Group eligibility criteria were placed on a waiting list. The number of people on this waiting list slowly increased over time. Based on the availability of funds, small numbers of people from the waiting list were enrolled in Choices for Care during July 2006 and December 2006. In January 2007, in the context of positive expenditure trends, the legislature directed DAIL to enroll all High Needs Group applicants, and the waiting list fell to zero.

The High Needs Group waiting list was recreated in February 2008. While the current economic climate has reduced state revenues substantially, recent expenditure trends in Choices for Care have allowed people to be enrolled in the High Needs Group on a month-to-month basis.

Choices for Care: Moderate Needs Group Waiting Lists by Type of Service  
SFY2006 - SFY 2010



Data source: waiting list reports from home health agencies and adult day programs.

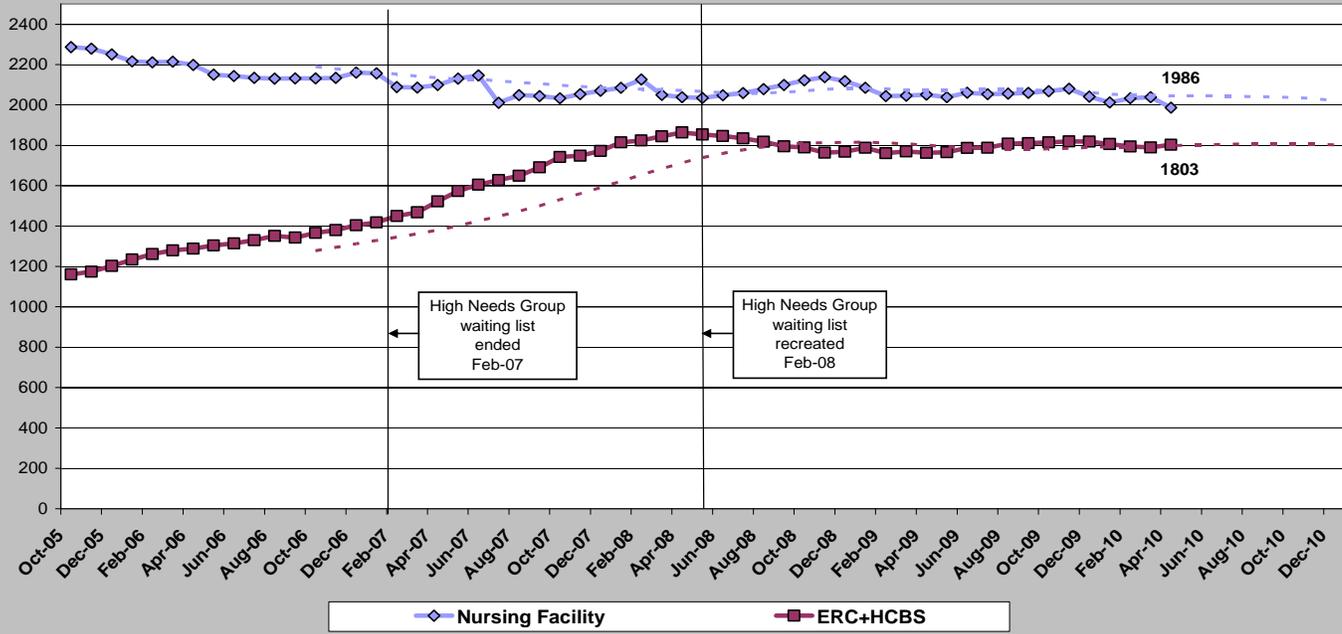
This graph shows the numbers of people placed on waiting lists for Moderate Needs Group Homemaker and Adult Day Services. The graph begins in July 2006, when providers began submitting monthly waiting list information to the Division of Disability and Aging Services (DDAS).

The number of people waiting for Homemaker services has increased over time. Of the thirteen Homemaker providers, nine reported waiting lists in January 2010. The number of people on the Homemaker waiting lists ranged from 4 to 181, with a median waiting list of 14 people. Some providers have reported that the costs of providing services are higher than the reimbursement rate, and that they limit the number of hours of service that they provide. Some providers have also reported challenges in recruiting and retaining adequate numbers of staff.

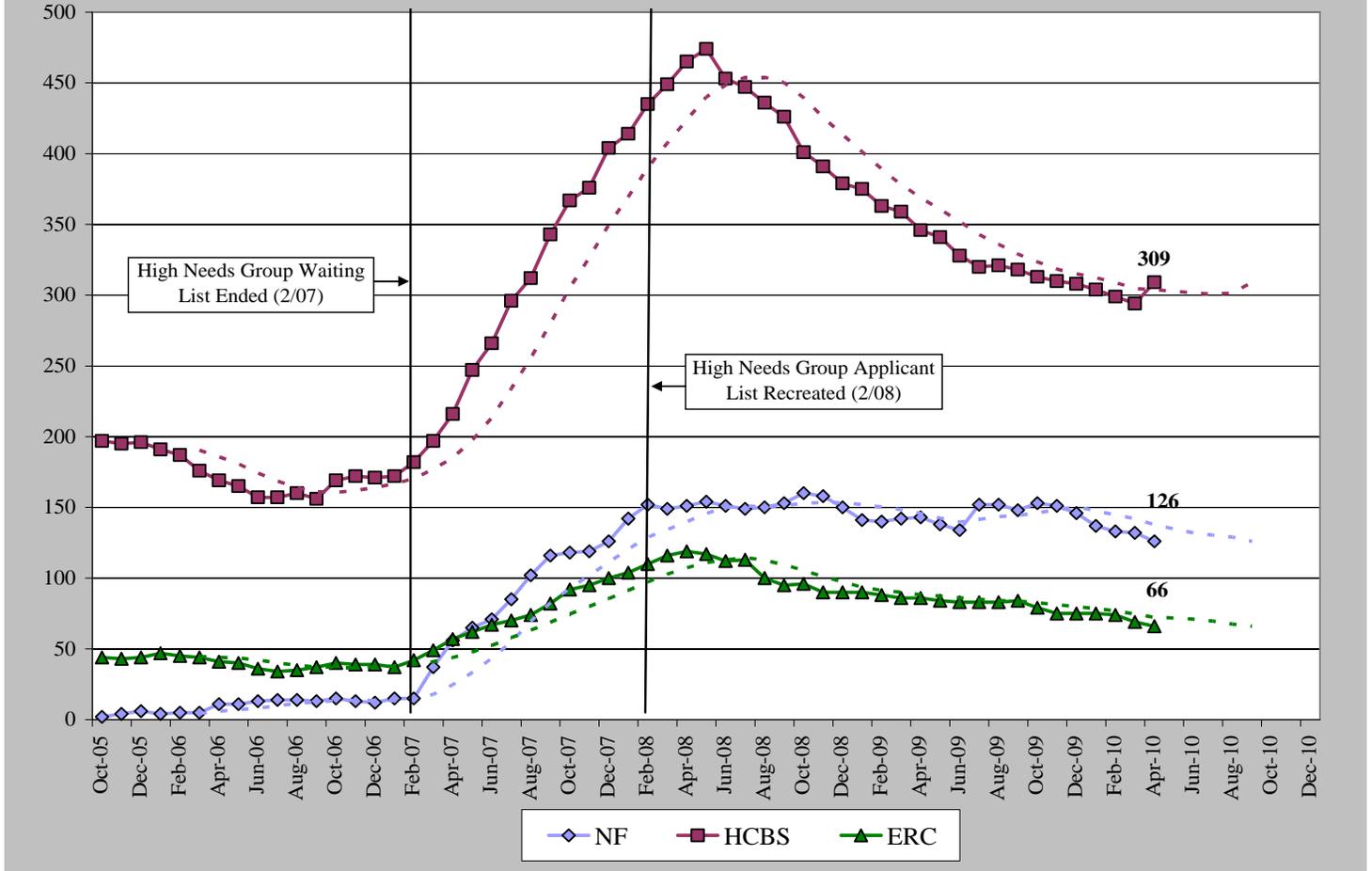
The number of people waiting for Adult Day services has varied over time, but has never exceeded 26 people. Of the fourteen Adult Day providers, two reported waiting lists in January 2010.

The recent (November 2009) freeze on new enrollment in the Moderate Needs Group has reduced the number of people served in the Moderate Needs Group, and may lead to increases in the number of people on applicant/waiting lists.

Choices for Care: Total Number of Enrolled Participants  
SFY 2006 - SFY 2011  
(excluding Moderate Needs Group)



## Choices for Care: High Needs Group Enrollment, sfy2006-sfy2011

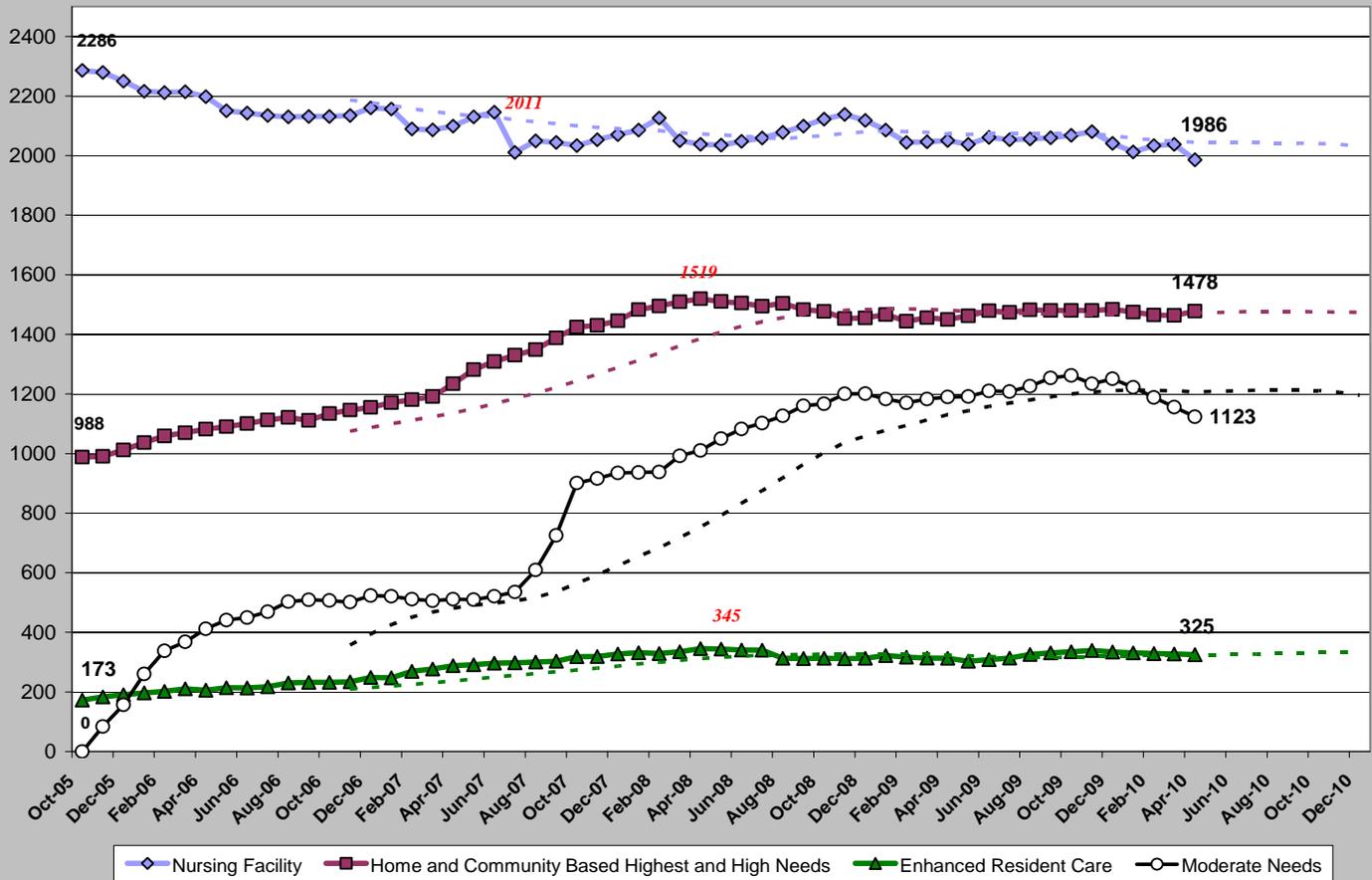


Data source: DAIL/DDAS SAMS database.

This shows enrollment of High Needs Group participants by setting. When the original High Needs Group waiting list was ended in February 2007, enrollment increased rapidly in all settings, with the most rapid increase in the HCBS setting.

Since the High Needs Group applicant list was recreated in February 2008, enrollment in the HCBS setting has decreased significantly. Enrollment in ERC has decreased slowly, while enrollment in nursing homes has been relatively stable.

Choices for Care: Total Number of Enrolled Participants by Setting  
SFY 2006 - SFY 2011



Data source: DAIL/DDAS SAMS database.

This graph shows Choices for Care enrollment by setting.

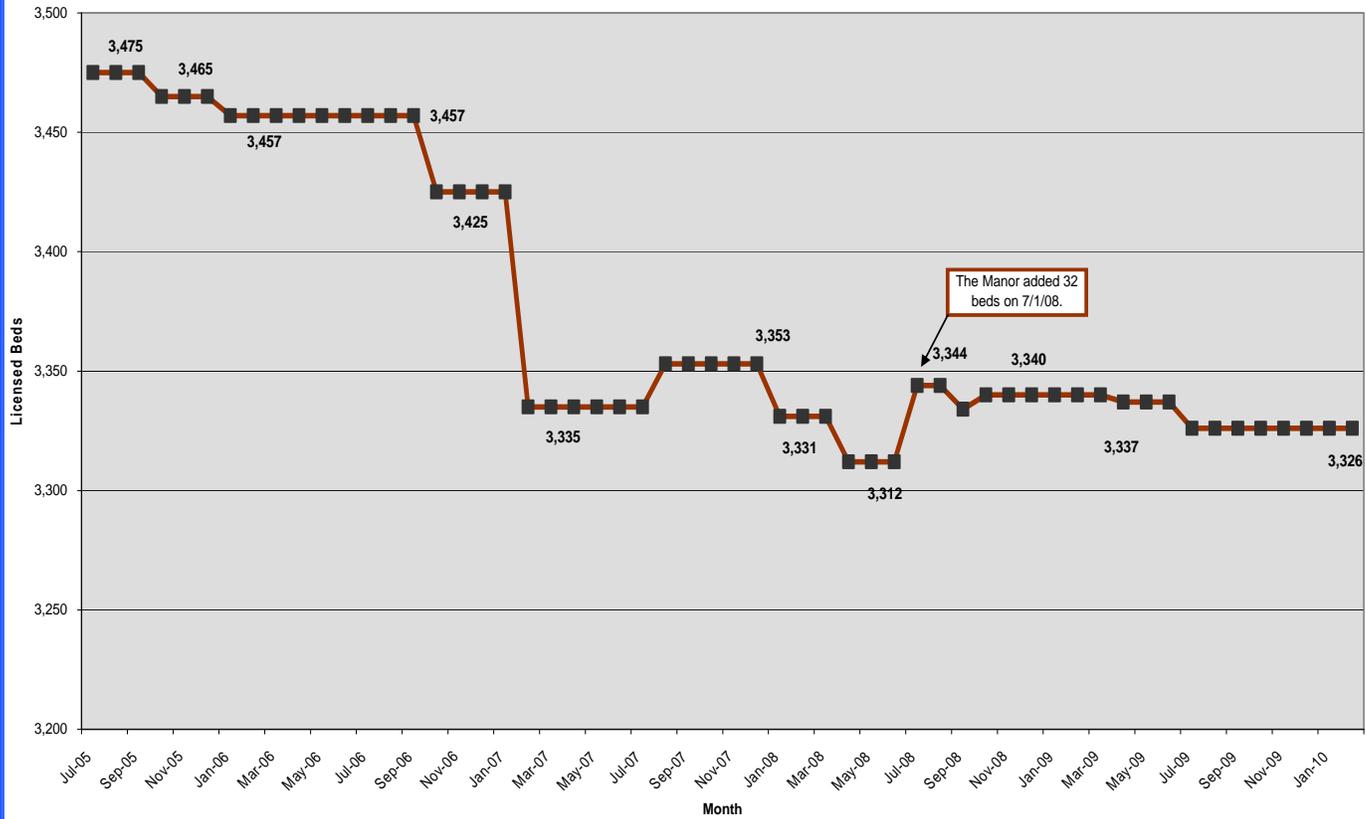
Nursing homes: between October 2005 and April 2010, the number of people enrolled in the nursing home setting decreased by 300. This was associated with a decrease of 149 beds in Vermont’s licensed nursing home capacity.

Home Based Services (Highest/High Needs Groups): between October 2005 and April 2010, the number of people enrolled in HCBS increased by nearly 500 people.

Enhanced Residential Care (ERC): between October 2005 and April 2010, the number of people enrolled in ERC increased by more than 150 people.

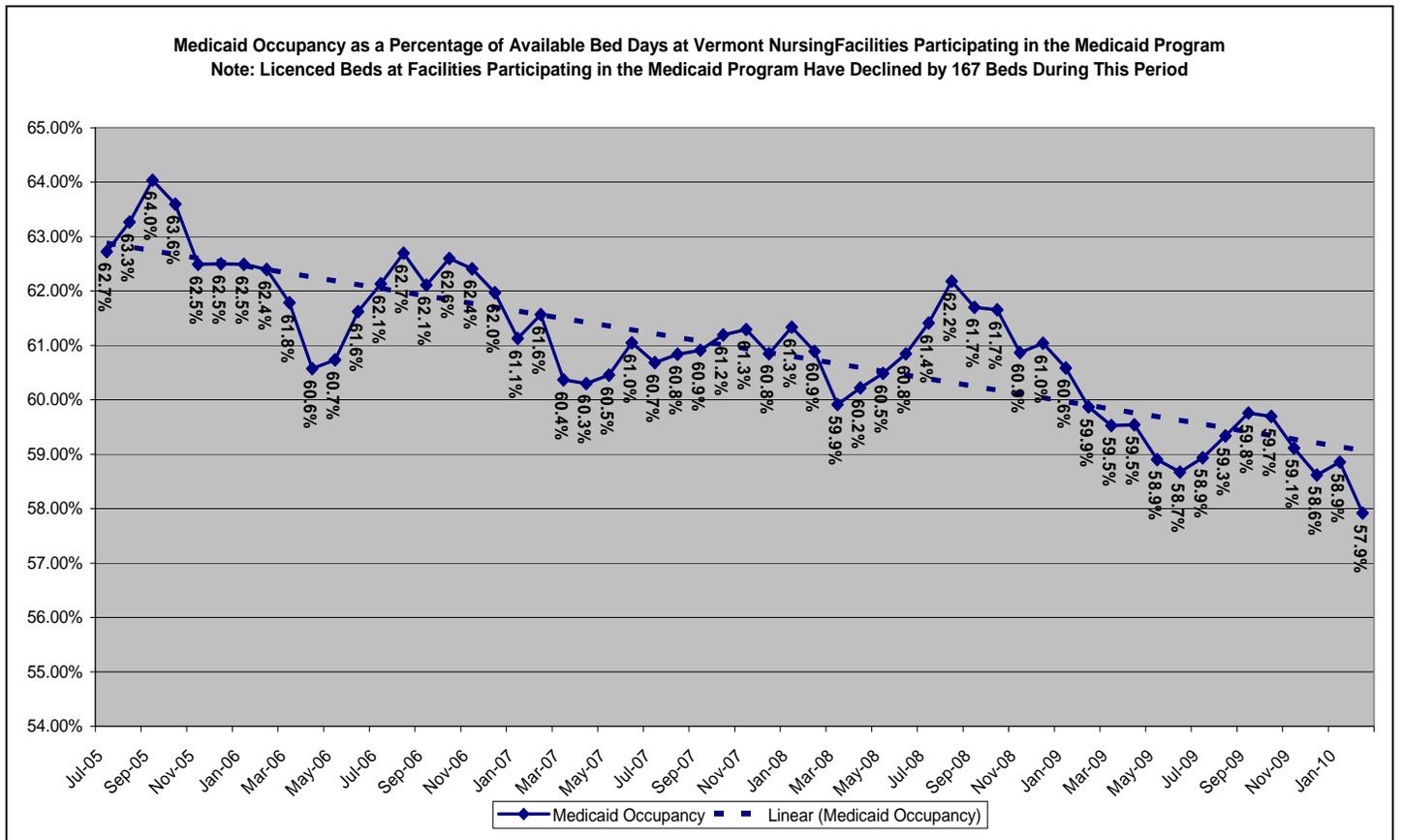
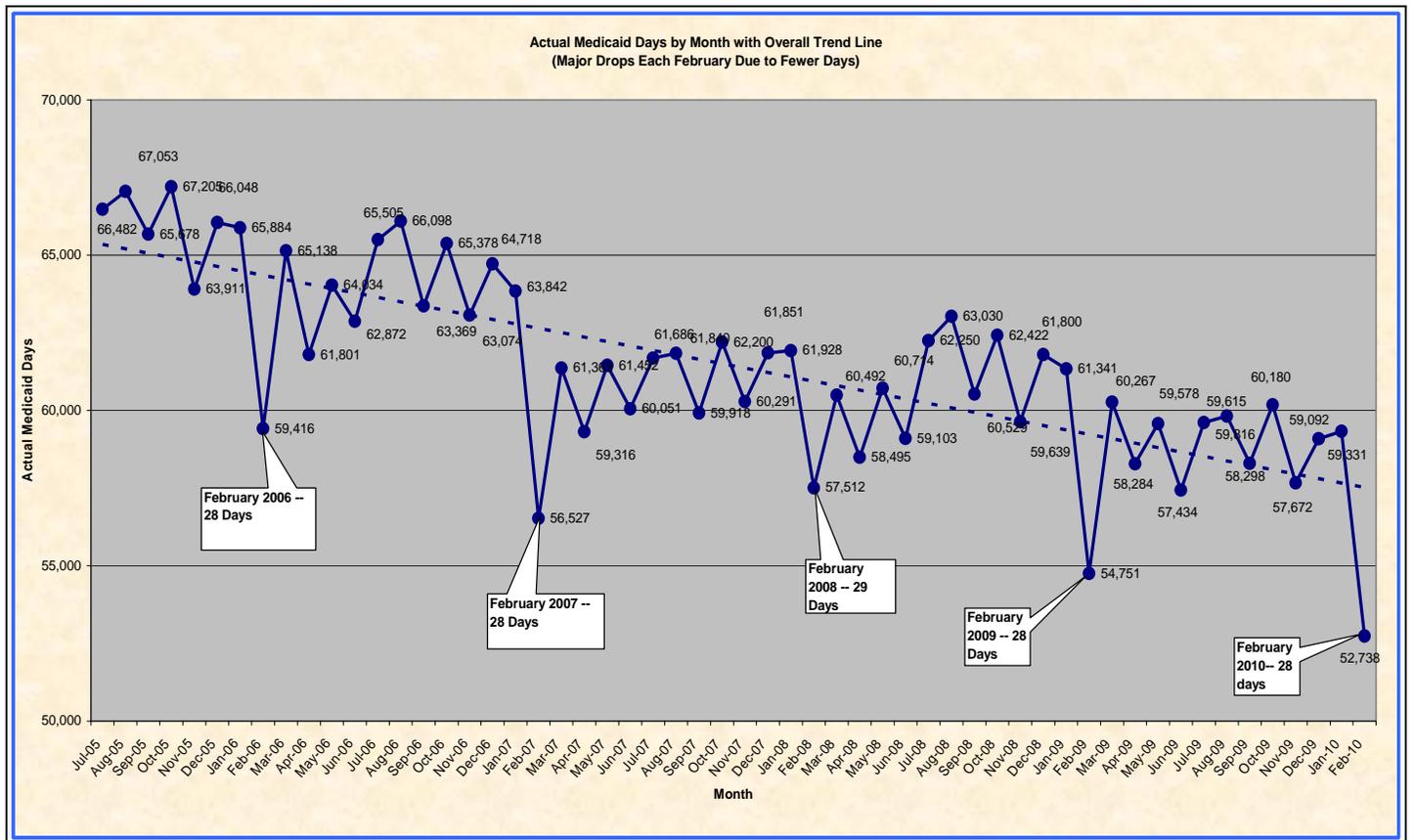
HCBS Moderate Needs Group (MNG): this “expansion” group was created in October 2005, and by April 2010 included 1123 people. The recent (November 2009) freeze on new enrollment in the Moderate Needs Group can be expected to lead to a continued decrease in enrollment in the coming months.

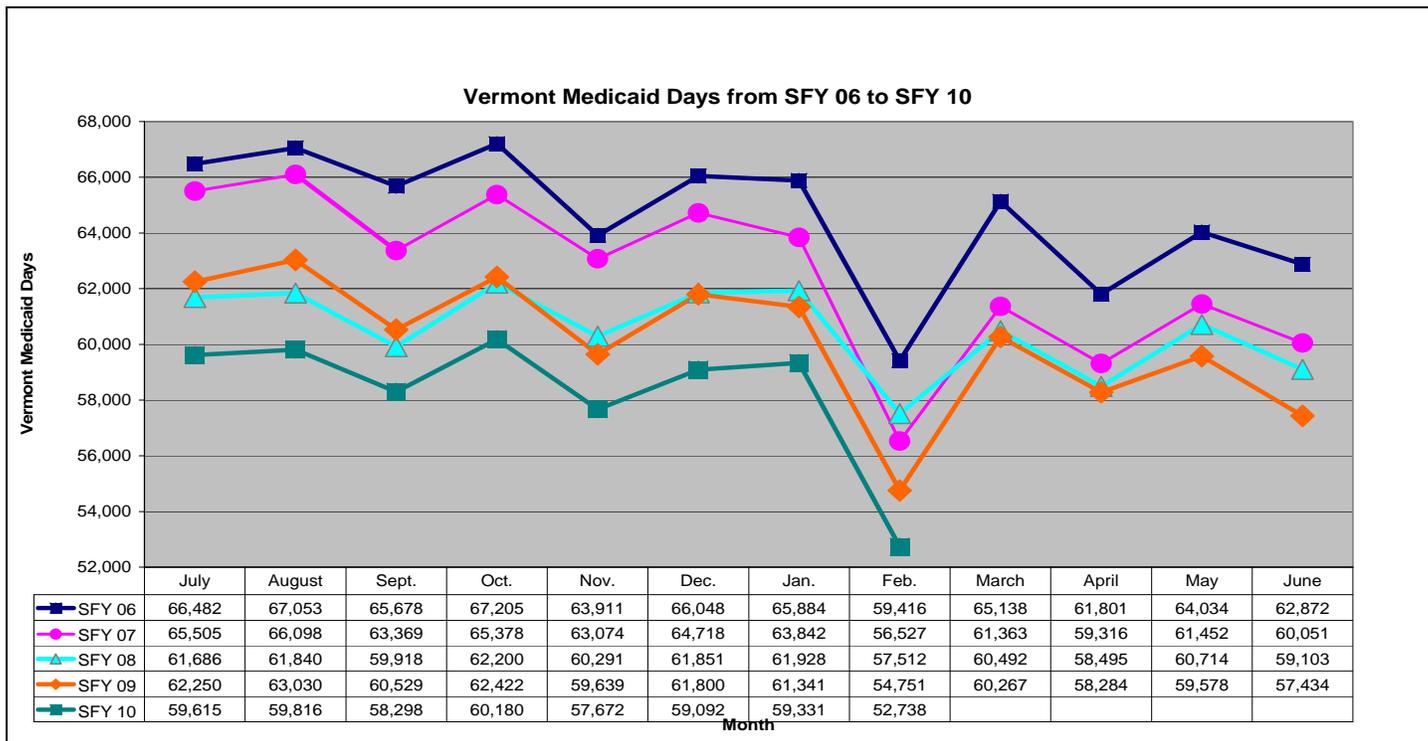
Total Number of Vermont Nursing Home Licensed Beds Including Homes Not Participating in Medicaid



Data source: DRS, monthly provider reports

This shows the decrease in licensed nursing home bed capacity in Vermont since July 2005: 149 beds.

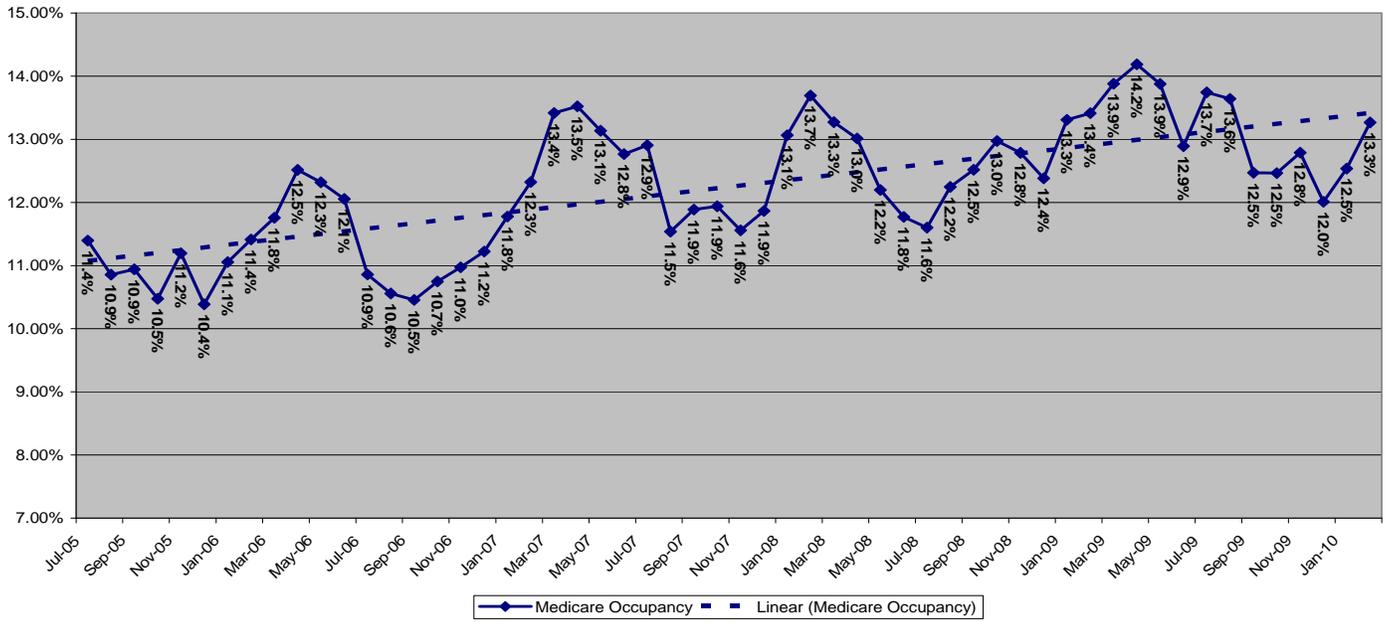




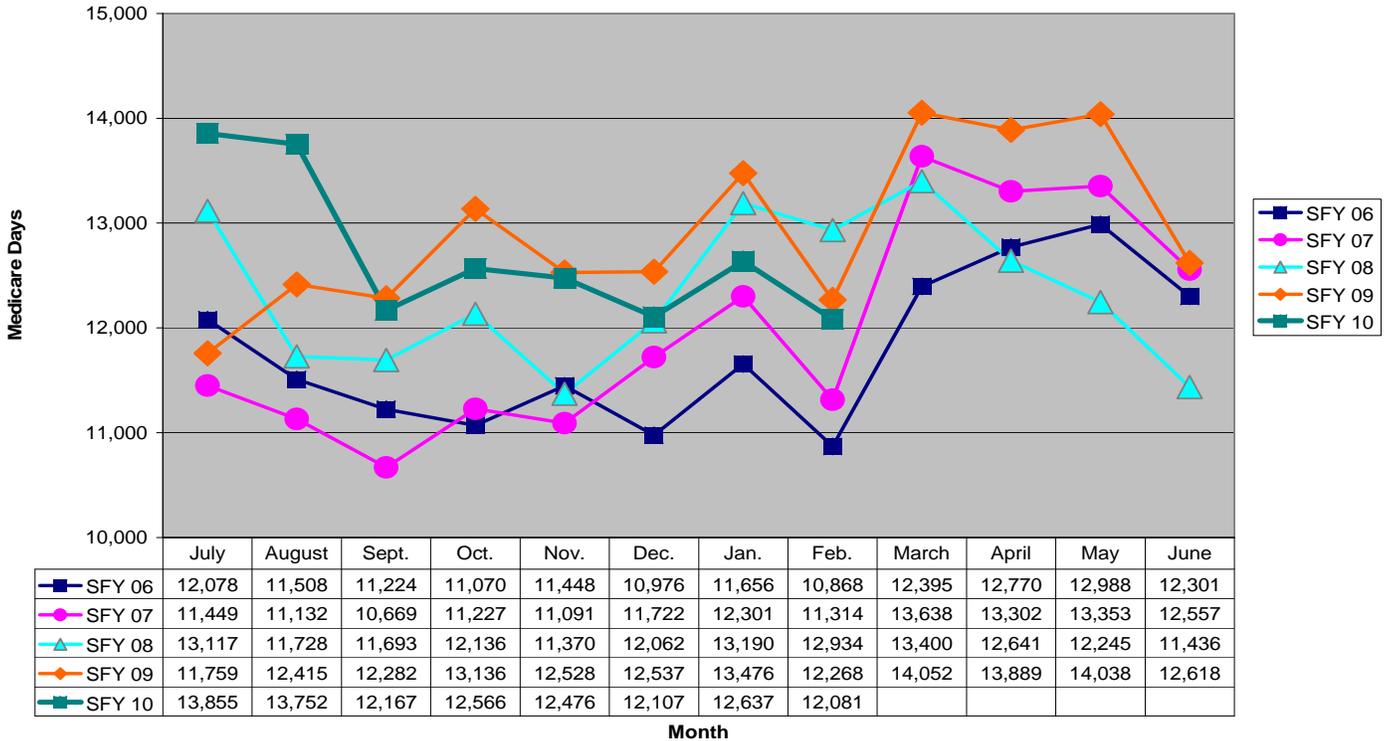
Data source: DRS, monthly provider reports

These three graphs show a gradual decrease in the use of nursing home beds by Medicaid residents. This decrease is masked by annual cycles in Medicaid occupancy.

**Medicare Occupancy as a Percentage of Available Bed Days at Vermont Nursing Facilities Participating in the Medicaid Program**  
 Note: Licenced Beds at Facilities Participating in the Medicaid Program Have Declined by 167 Beds During This Period



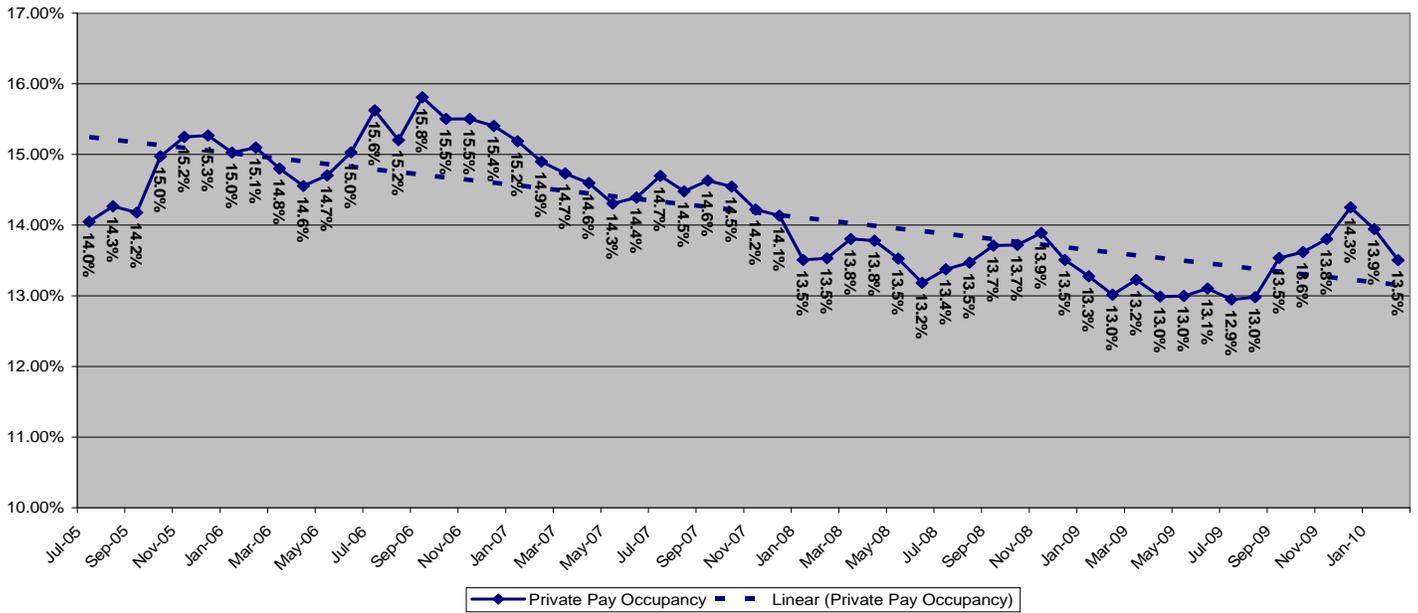
**Medicare Days from SFY 06 to SFY 10**



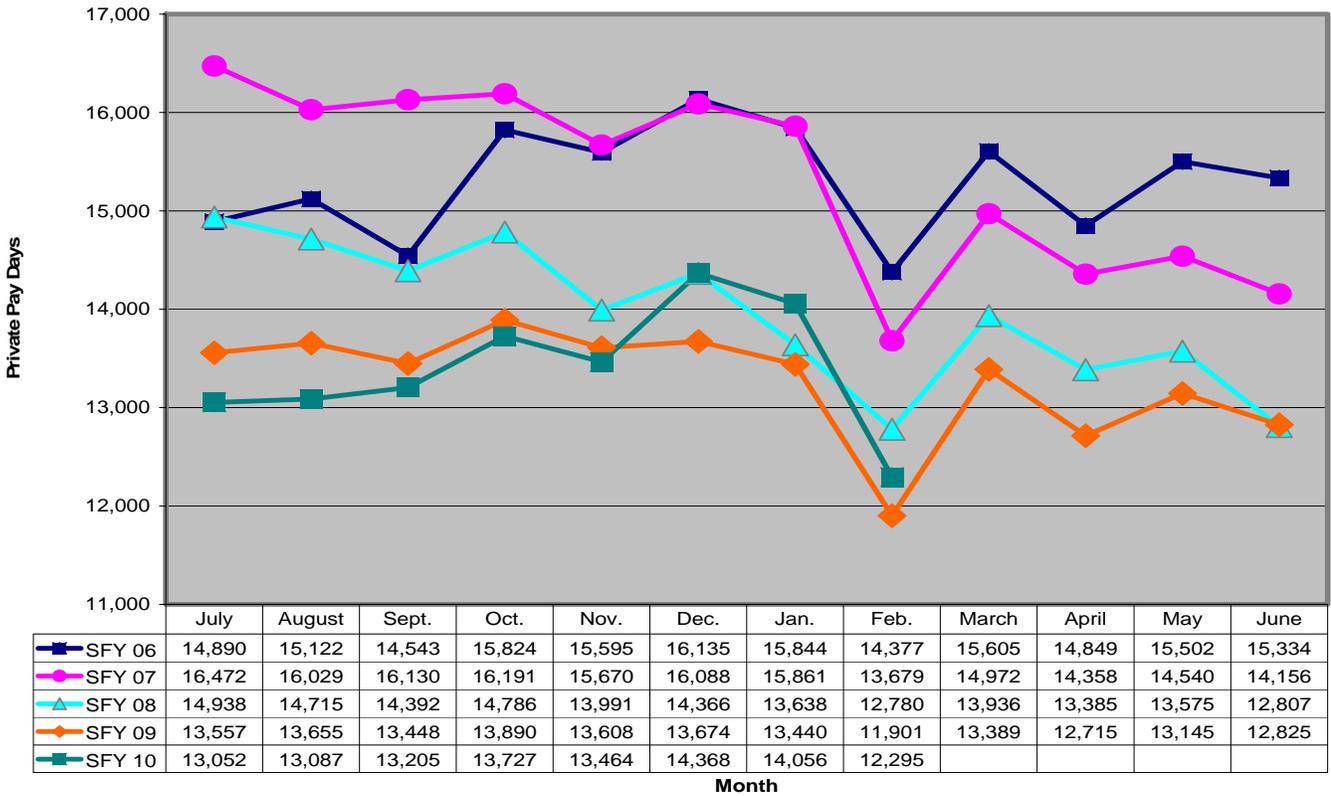
Data source: DRS, monthly provider reports

These two graphs show a gradual increase in the use of nursing home beds by Medicare residents. This increase is masked by annual cycles in Medicare occupancy.

**Private Payor Occupancy as a Percentage of Available Bed Days at Vermont Nursing Facilities Participating in the Medicaid Program**  
**Note: Licenced Beds at Facilities Participating in the Medicaid Program Have Declined by 167 Beds During This Period**



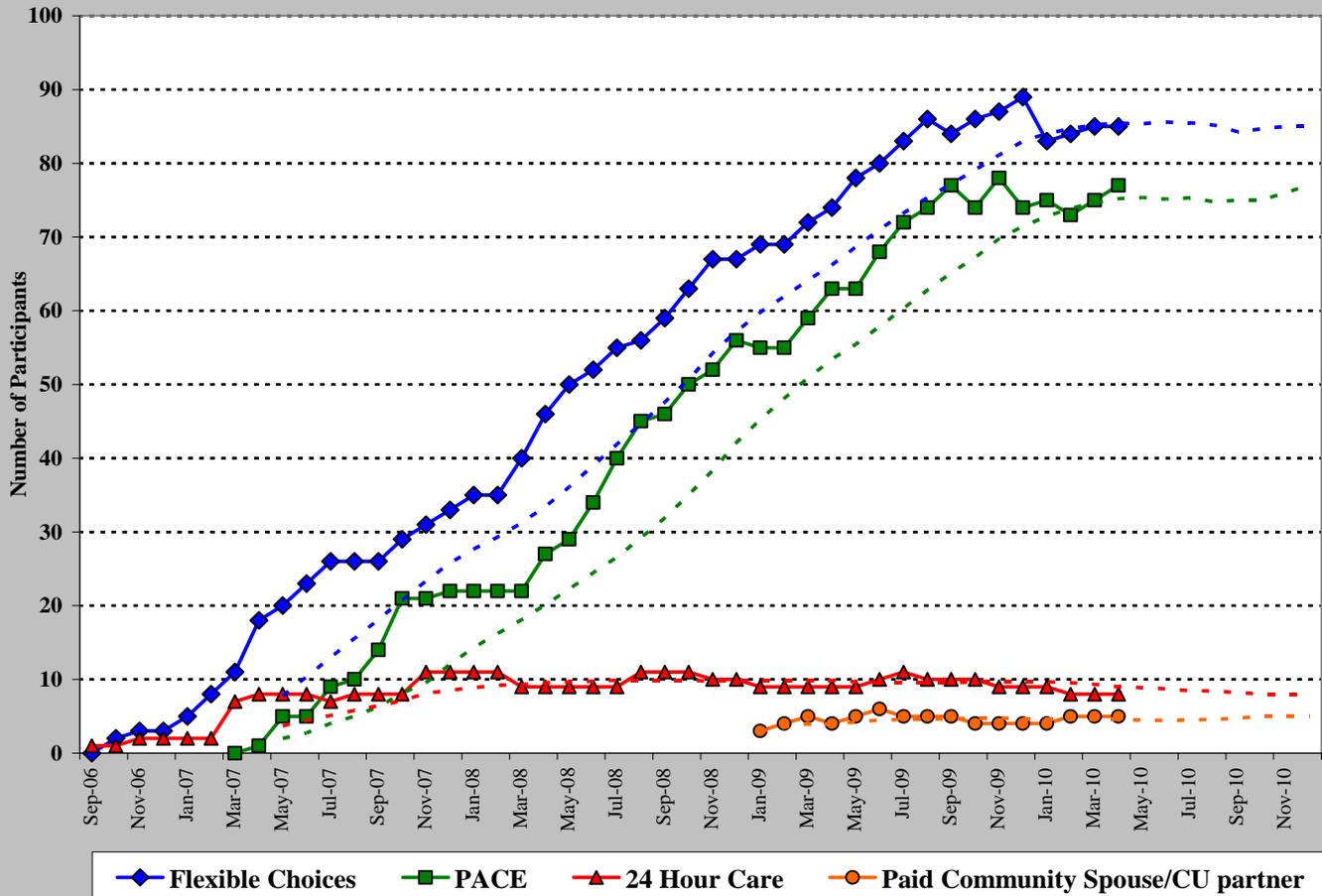
**Private Pay Days from SFY 06 to SFY 10**



Data source: DRS, monthly provider reports

These two graphs show a gradual decrease in the use of nursing home beds by private pay residents.

**Choices for Care: Expansion of New Service Options, sfy2007-sfy2011**  
**Flexible Choices, PACE, and HCBS 24-Hour Care Active Enrollments and Paid Spouses**



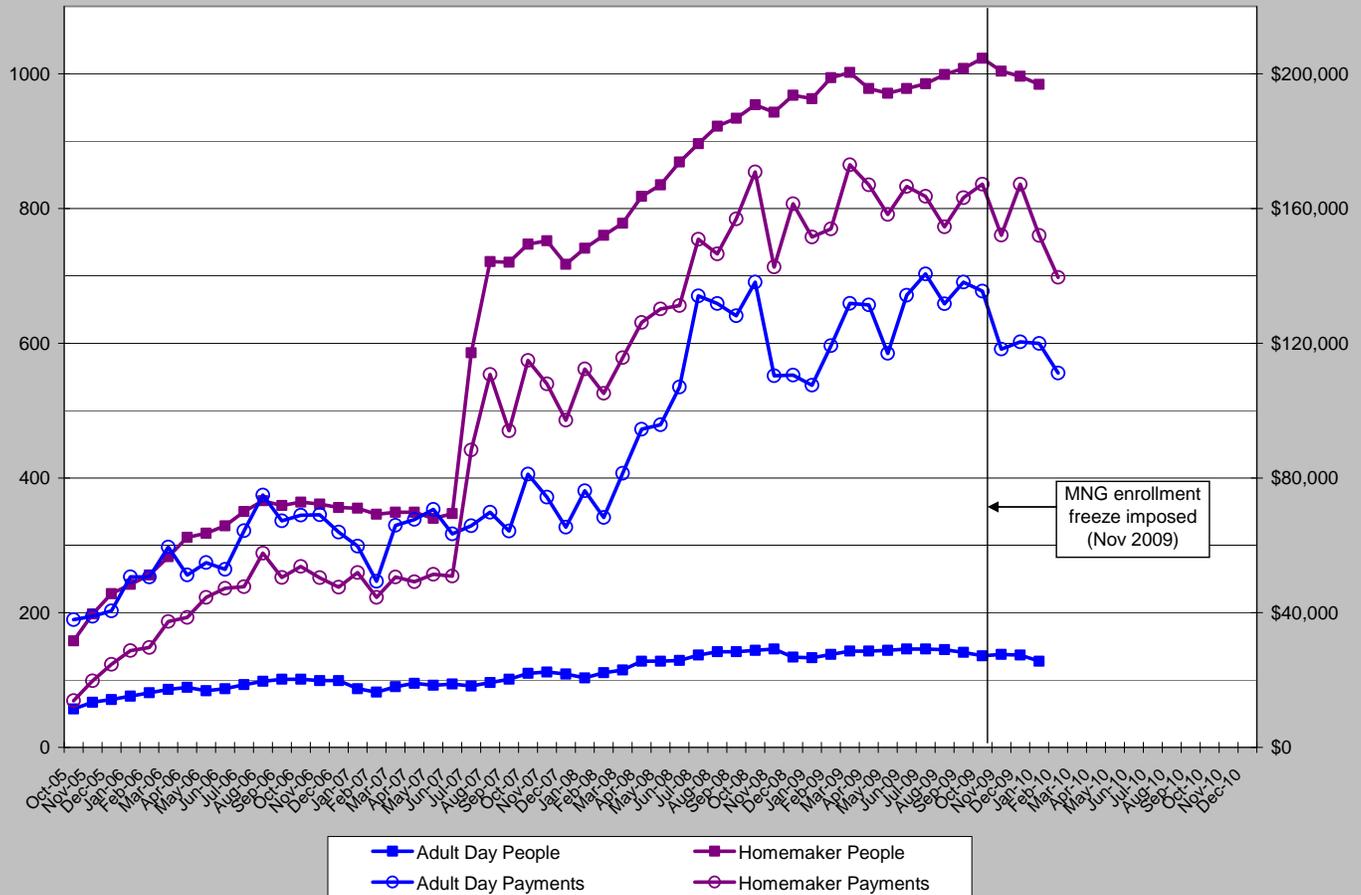
Data source: DAIL/DDAS SAMS database

One goal of Choices for Care is to expand the range of service options. This shows the history of enrollment in four new service options: Flexible Choices, PACE, HCBS 24-Hour Care, and payment of spouses. Each represents a different service option, drawing people with different needs and expectations.

While Medicaid laws and regulations prohibit caregiving payments to spouses except under extraordinary circumstances, this prohibition can be ‘waived’ through an 1115 Waiver. In May 2007 Choices for Care implemented a policy that allows spouses to be paid to provide personal care. Several factors (including eligibility restrictions on household income and the availability of a spouse who is able to provide care) appear to continue to limit the number of people who choose this option.

While the development of each new option represents an accomplishment in expanding consumer choice, the numbers of people using these options remains a small percentage of the total number of people served.

**Choices for Care Moderate Needs Group**  
**Adult Day and Homemaker: Number of People Served and Payments per Month, sfy2006-sfy2011**

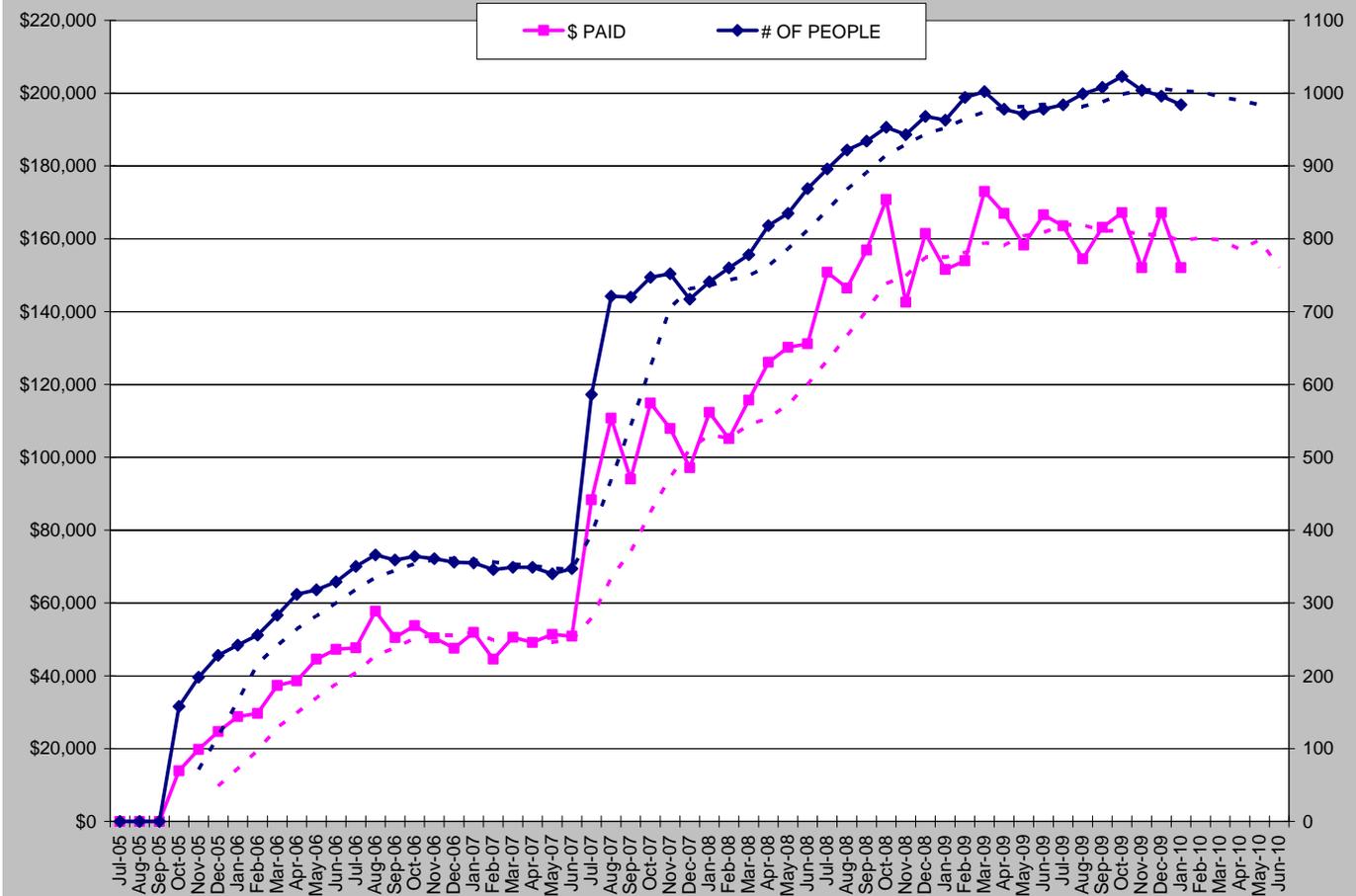


Data source: HP paid claims

Choices for Care Moderate Needs Group funding has increased since 2005, leading to increases in the number of people served through this funding source.

The recent (November 2009) freeze on new enrollment in the Moderate Needs Group has reduced the number of people served, as well as the monthly payments.

**Choices for Care Homemaker (Moderate Needs Group) Services  
Participants and Payments by Month, sfy2006 - sfy2010**



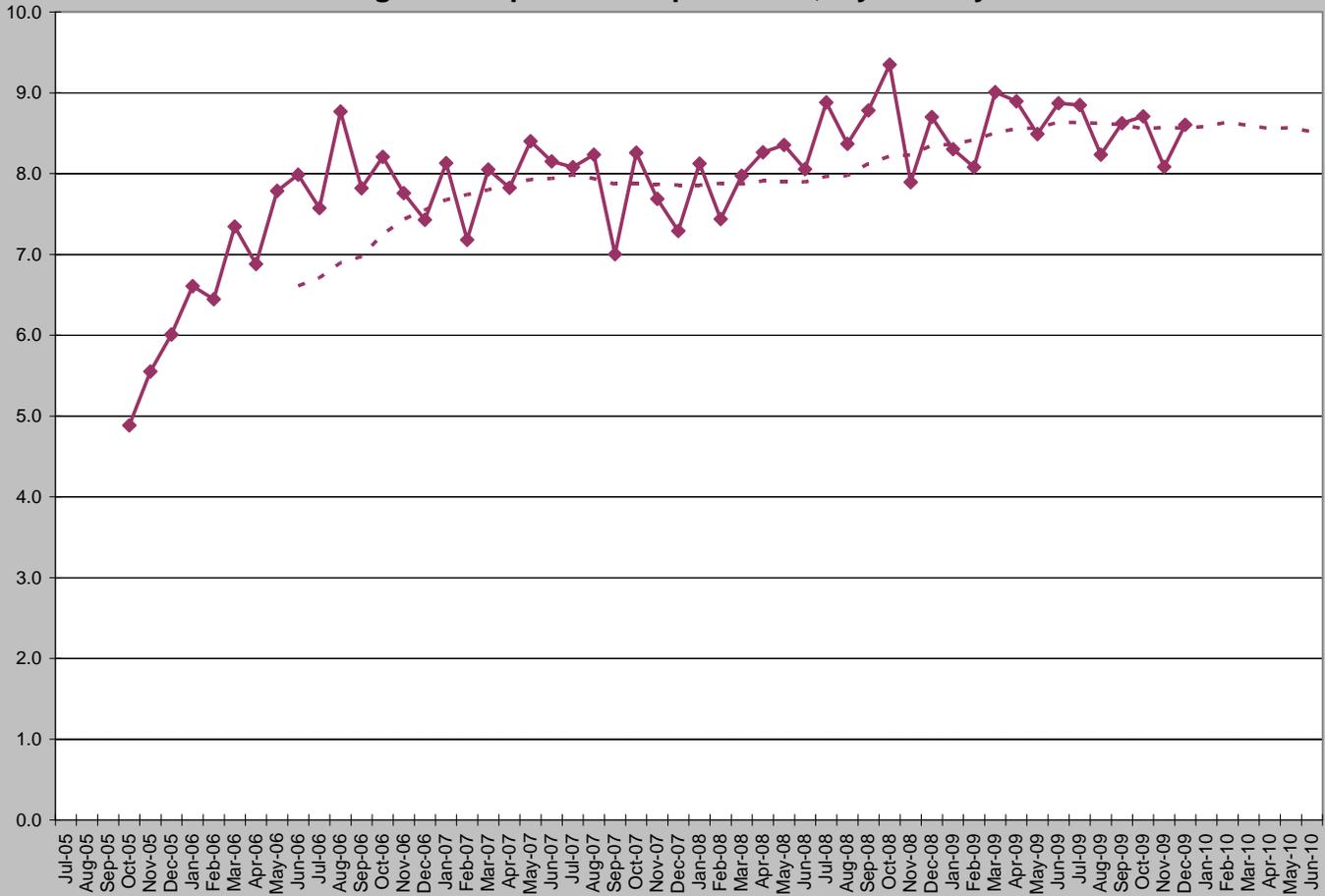
Data source: HP paid claims

Since July 2005, the number of people receiving adult day services through Choices for Care has increased to about 1000 people per month. The number of people served has decreased in the past three months.

During the same period, Choices for Care payments for homemaker services have increased to about \$160,000 per month.

The freeze on Moderate Needs Group enrollment (November 2009) can be expected to continue to reduce the number of people served, as well as future payments.

**Choices for Care Homemaker (Moderate Needs Group) Services  
Average Hours per Person per Month, sfy2006-sfy2010**

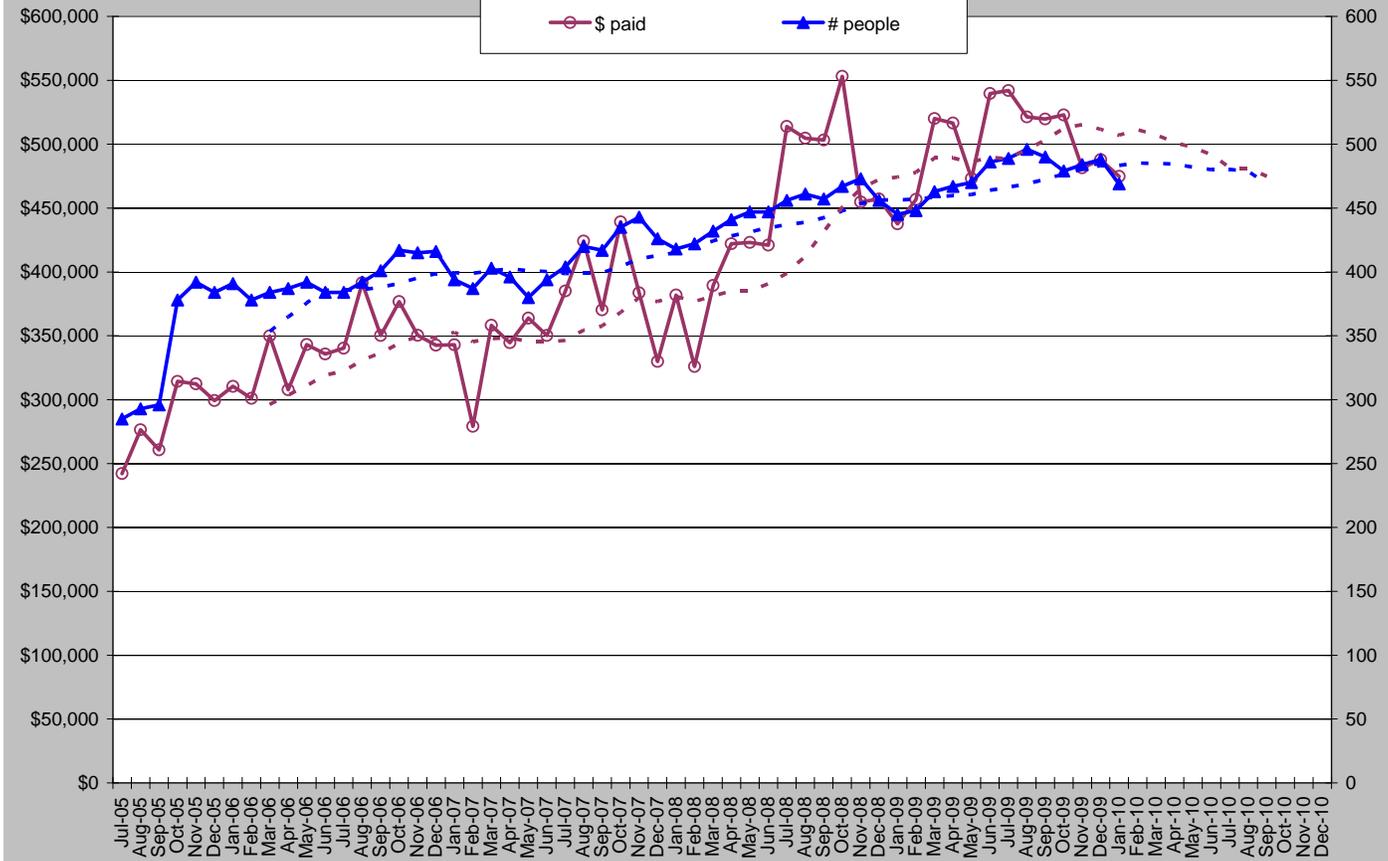


Data sources: HP paid claims

People served under the Moderate Needs Group have received more hours of Homemaker services over time. It is possible that the freeze on new enrollment in the Moderate Needs Group will sustain this trend.

**DAIL Medicaid Adult Day Services  
(Moderate Needs Group, Highest/High Needs Groups, Day Health Rehabilitation Services)**

**Total Participants and Total Payments by Month, sfy2006 - sfy2010**



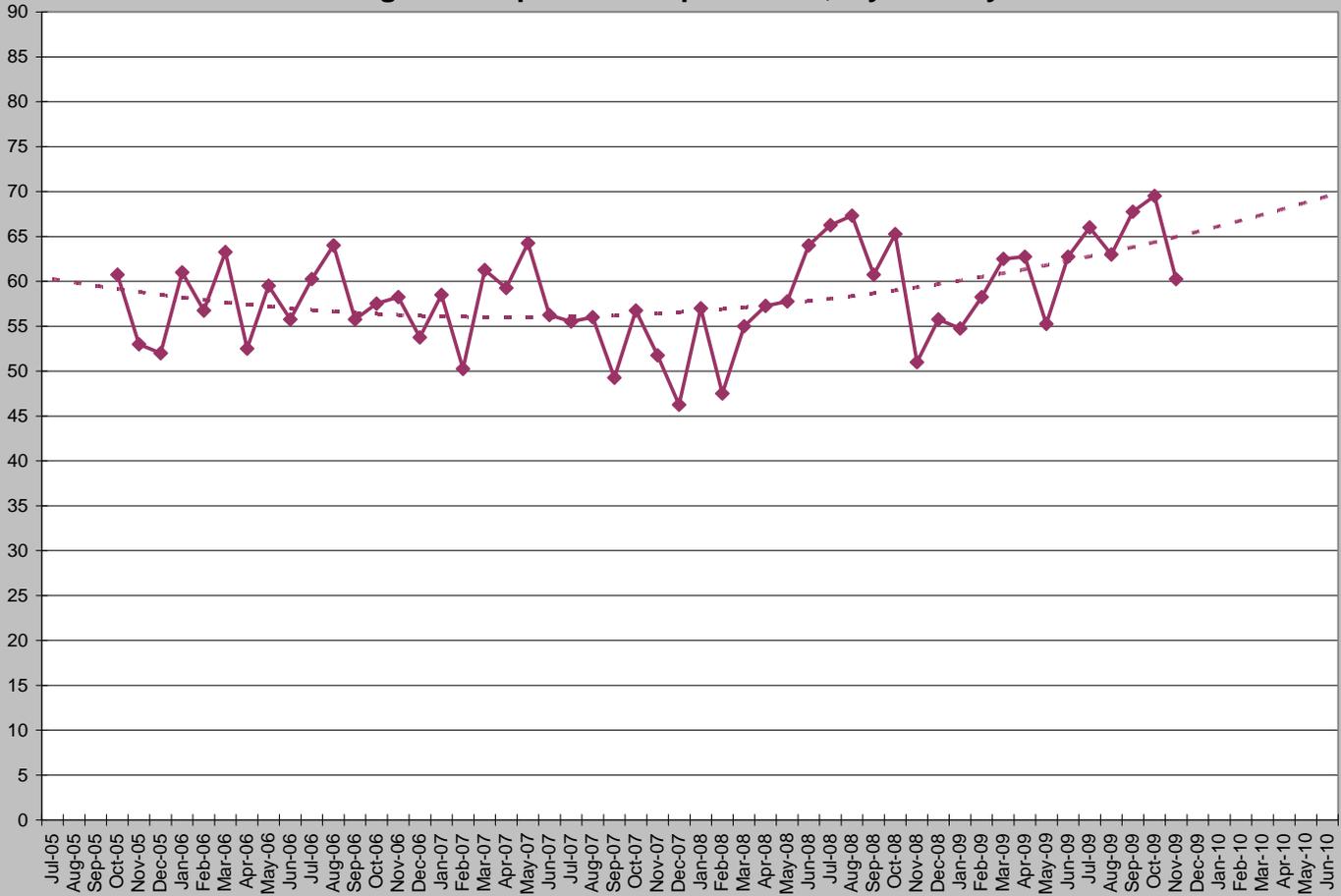
Data source: HP paid claims

Since July 2005, the number of people receiving adult day services through all direct Medicaid payments has increased from about 300 people per month to about 475 people per month. The number of people served has decreased in the past six months.

During the same period, DAIL Medicaid payments for adult day services have increased from about \$250,000 per month to about \$475,000 per month. Monthly payments have decreased in the past six months.

The freeze on Moderate Needs Group enrollment (November 2009) can be expected to continue to reduce the number of people served, as well as future payments.

**Choices for Care Adult Day (Moderate Needs Group) Services  
Average Hours per Person per Month, sfy2006-sfy2010**

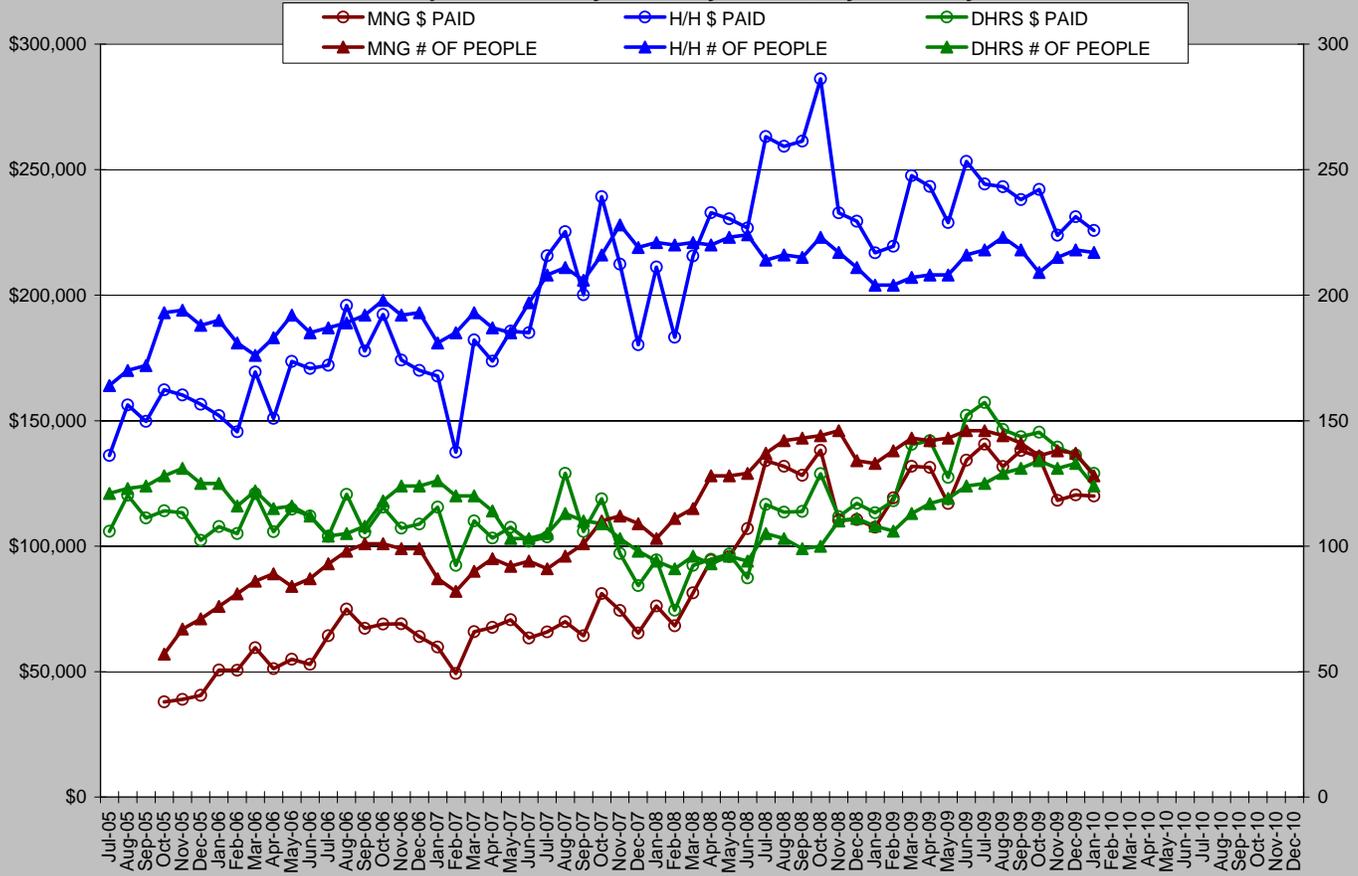


Data source: HP paid claims

People served under the Moderate Needs Group have received more hours of Adult Day services over time. It is possible that the freeze on new enrollment in the Moderate Needs Group will sustain this trend.

**DAIL Medicaid Adult Day Services  
(Moderate Needs Group, Highest/High Needs Groups, Day Health Rehabilitation Services)**

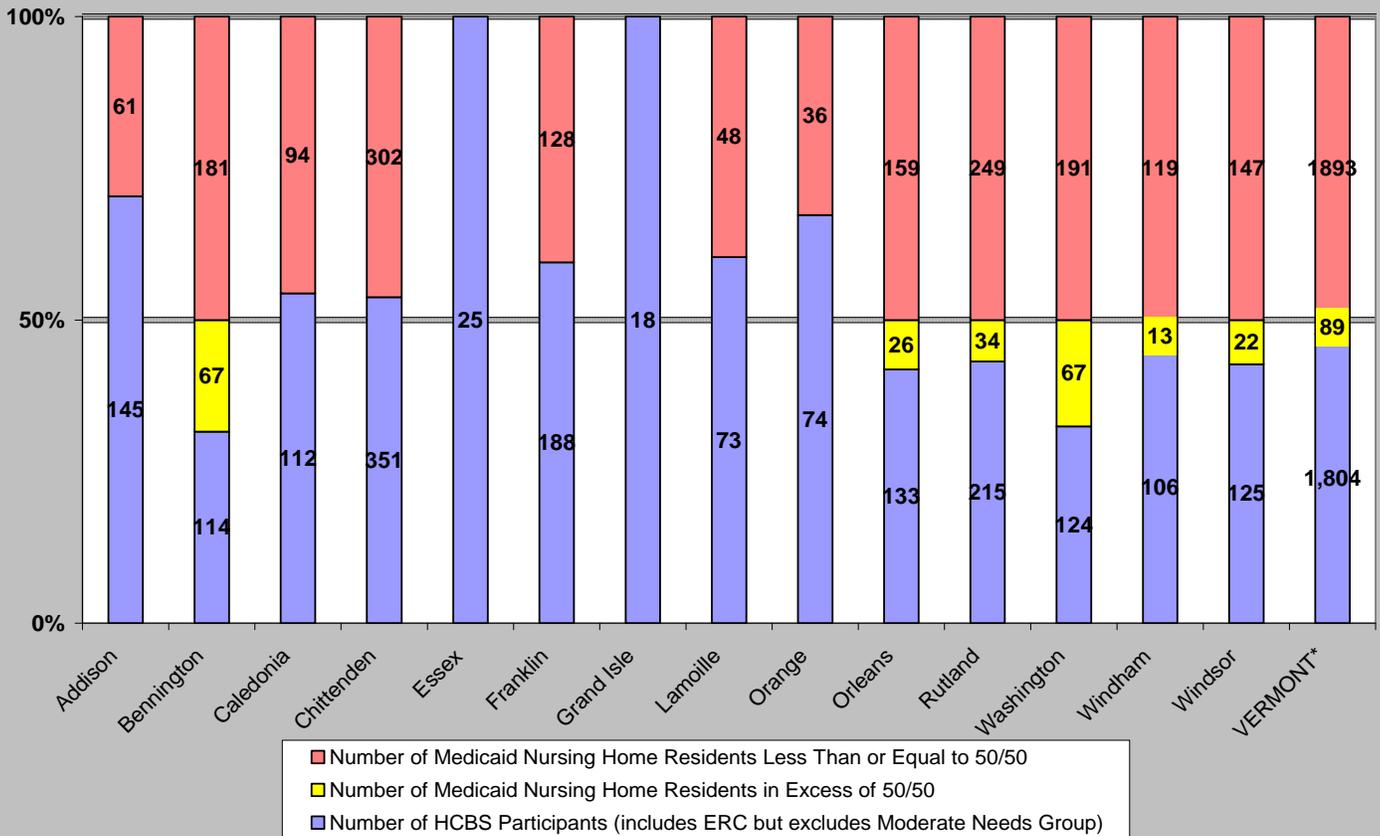
**Participants and Payments by Month, sfy2006 - sfy2010**



Data source: HP paid claims

This shows the number of people served and payments by type of Medicaid adult day service: Choices for Care Moderate Needs Group, Choices for Care Highest/High Needs Groups, and Day Health Rehabilitation Services.

Vermont Choices for Care: Nursing Home Residents and Home & Community-Based Participants by County, April 2010  
*Changes (Yellow) Needed to Achieve At Least 50% HCBS*



Data sources: DAIL/DDAS SAMS database

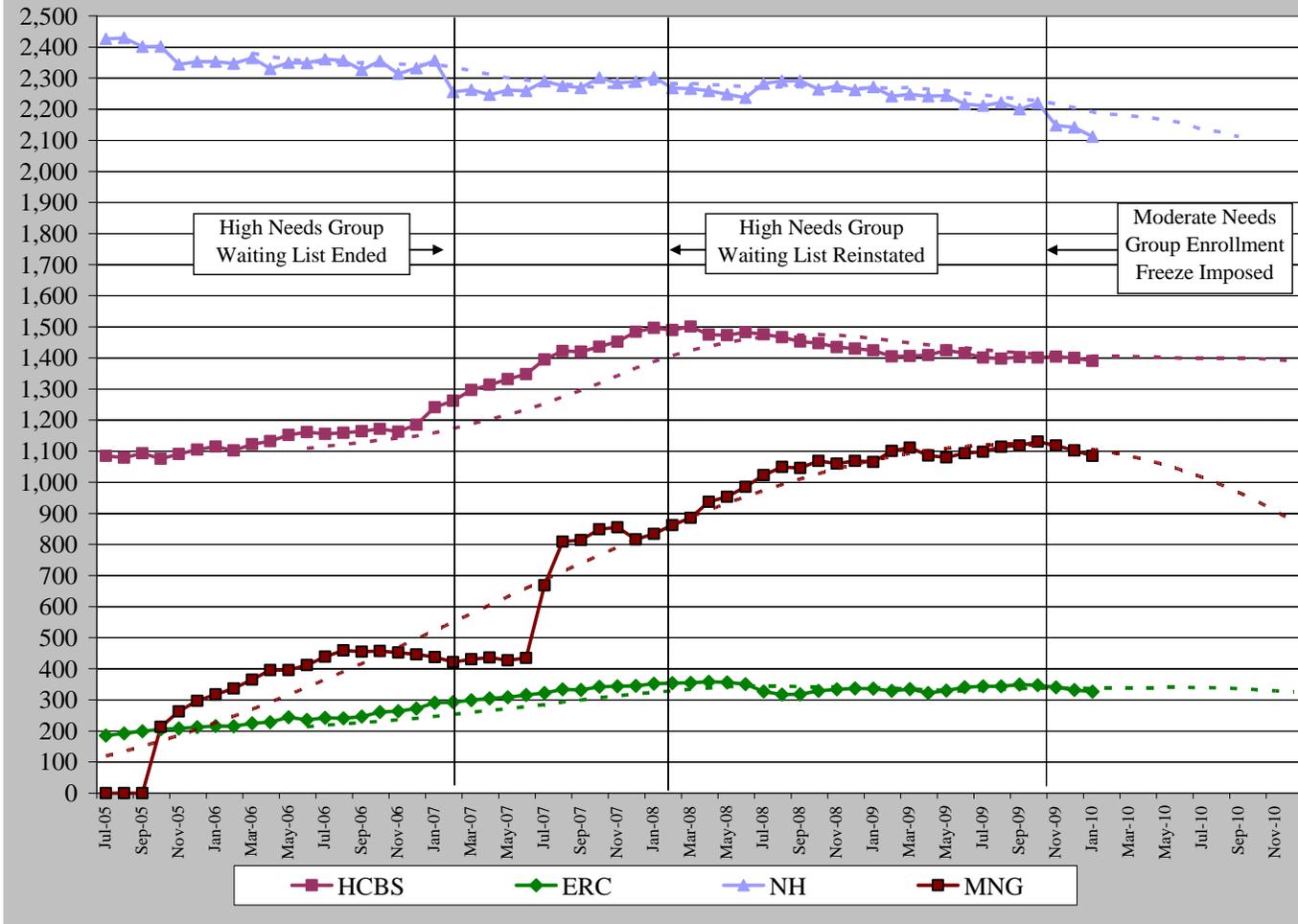
One of the expected outcomes of Choices for Care is that a higher percentage of people who use Medicaid-funded long term care will choose home and community-based settings, while a lower percentage will choose nursing homes. This graph illustrates the relative use of nursing homes and other settings in each county as of April 2010.

The graph shows the number of Choices for Care participants who were served in nursing home settings (blue), the number served in alternative settings (red), and the number of participants who would have to move from a nursing home setting to an alternative setting to reach the benchmark of 50% in alternative settings (yellow). This is based on the stated goal of serving at least 50% of the people who use Medicaid long term care in settings other than a nursing home.

In eight counties (Addison, Caledonia, Chittenden, Essex, Franklin, Grand Isle, Lamoille, and Orange), more than 50% of Choices for Care participants are served in alternative settings. People in the remaining counties (Bennington, Orleans, Rutland, Washington, Windham, and Windsor) are more reliant on nursing homes, with less than 50% served in alternative settings. People in Bennington and Washington Counties remain most reliant on nursing homes.

## Vermont: Choices for Care Participants by Setting, sfy2005 - sfy2011

data source: HP, Medicaid paid claims by dates of service



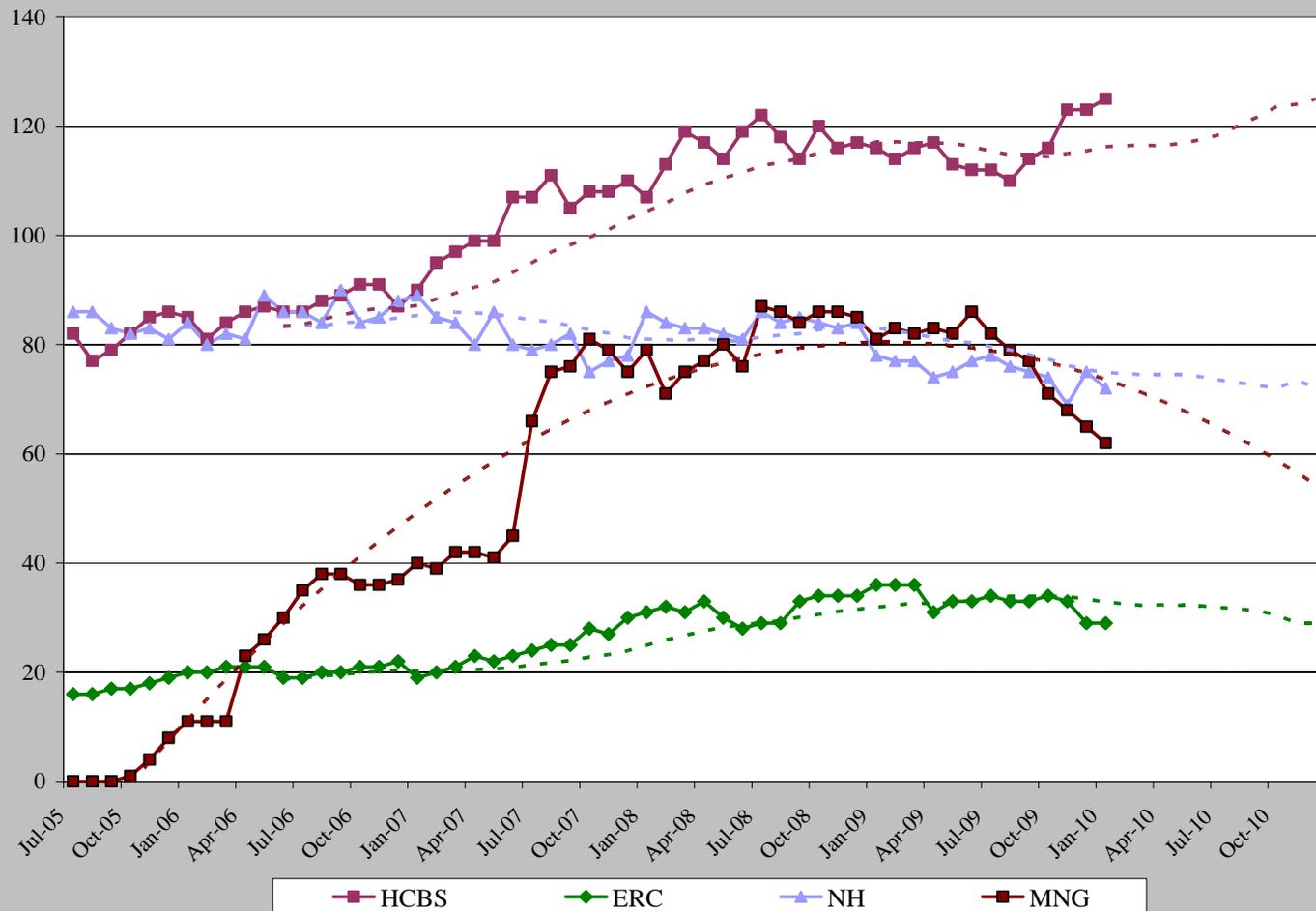
Data source: HP paid claims

In Vermont as a whole, use of HCBS and ERC has increased significantly since July 2005, while the use of nursing homes has decreased. The use of Moderate Needs Group (MNG) services increased until November 2009, when an enrollment freeze was imposed.

The use of HCBS and nursing homes has decreased modestly since February 2008, when the High Needs Group applicant/waiting list was recreated.

### Addison County: Choices for Care Participants by Setting, sfy2005 - sfy2011

*data source: HP, Medicaid paid claims by dates of service*



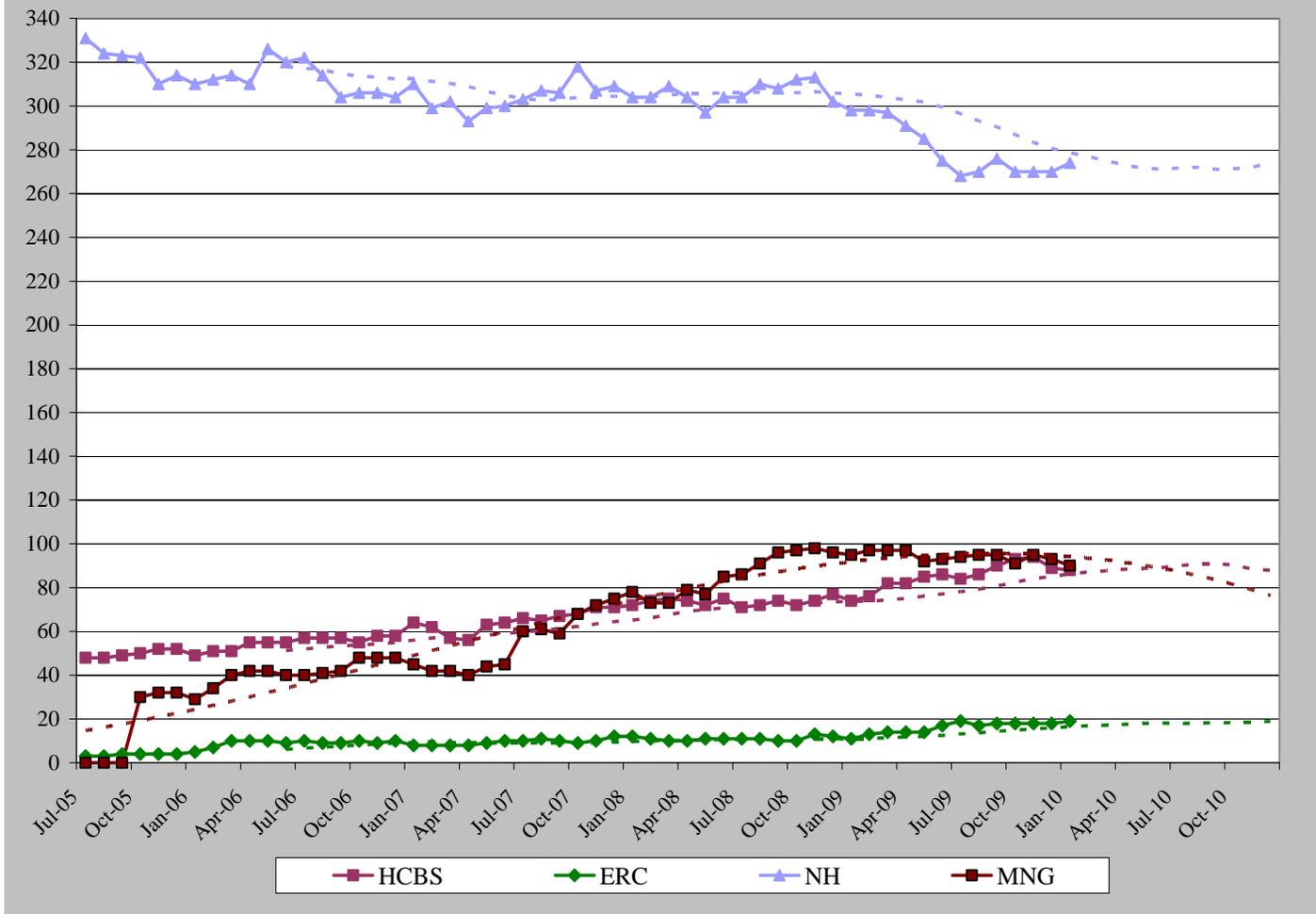
*Data source: HP paid claims*

In Addison County, use of HCBS and ERC has increased since July 2005. Use of HCBS has increased significantly in the last six months. The use of MNG increased until June 2009, and has decreased every month since then.

The use of nursing homes has decreased.

### Bennington County: Choices for Care Participants by Setting, sfy2005 - sfy2011

*data source: HP, Medicaid paid claims by dates of service*



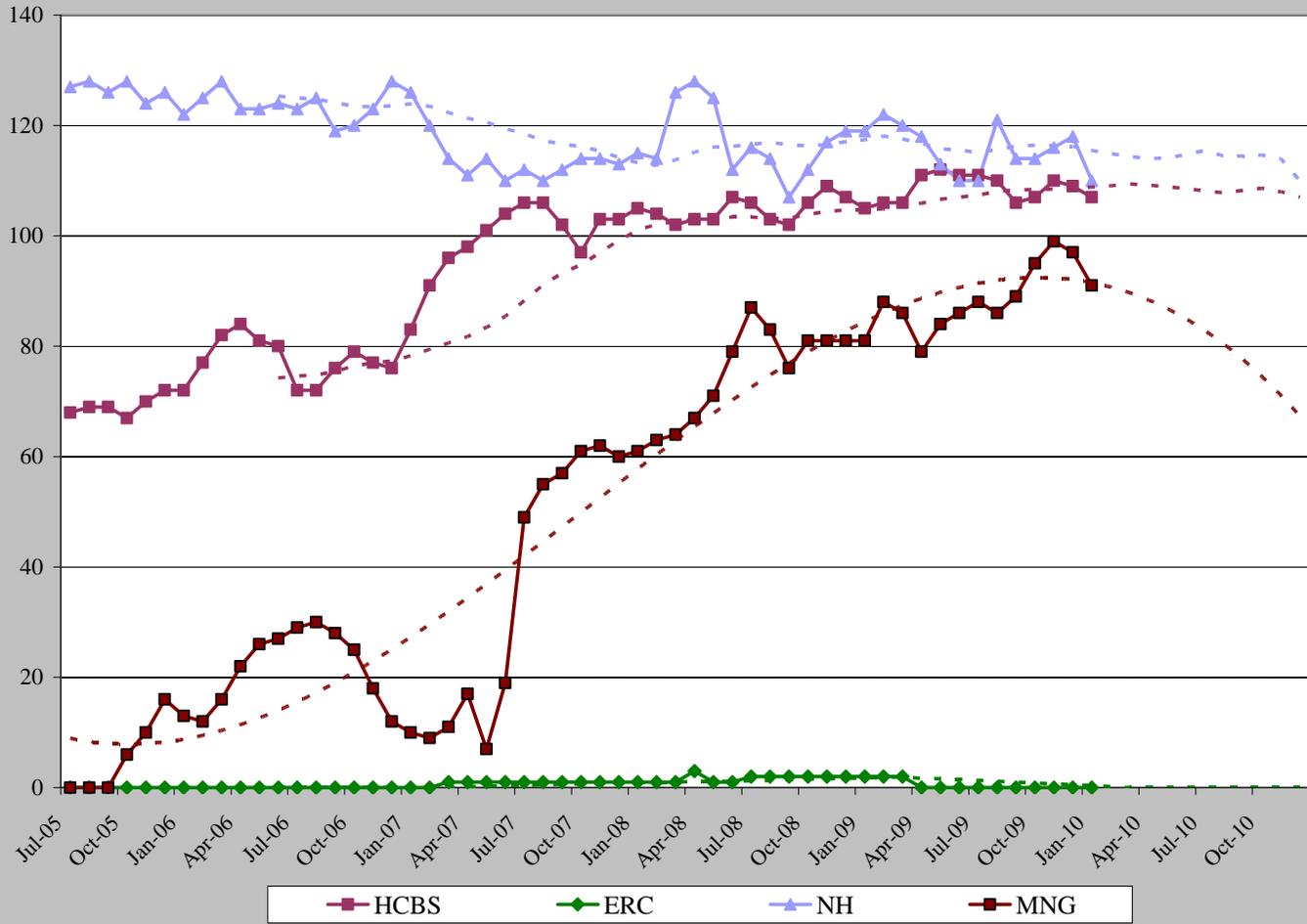
*Data source: HP paid claims*

In Bennington County, use of HCBS and ERC has increased since July 2005. The use of MNG has slowly increased.

The use of nursing homes has decreased, with a more rapid decrease since January 2009.

### Caledonia County: Choices for Care Participants by Setting, sfy2005 - sfy2011

data source: HP, Medicaid paid claims by dates of service



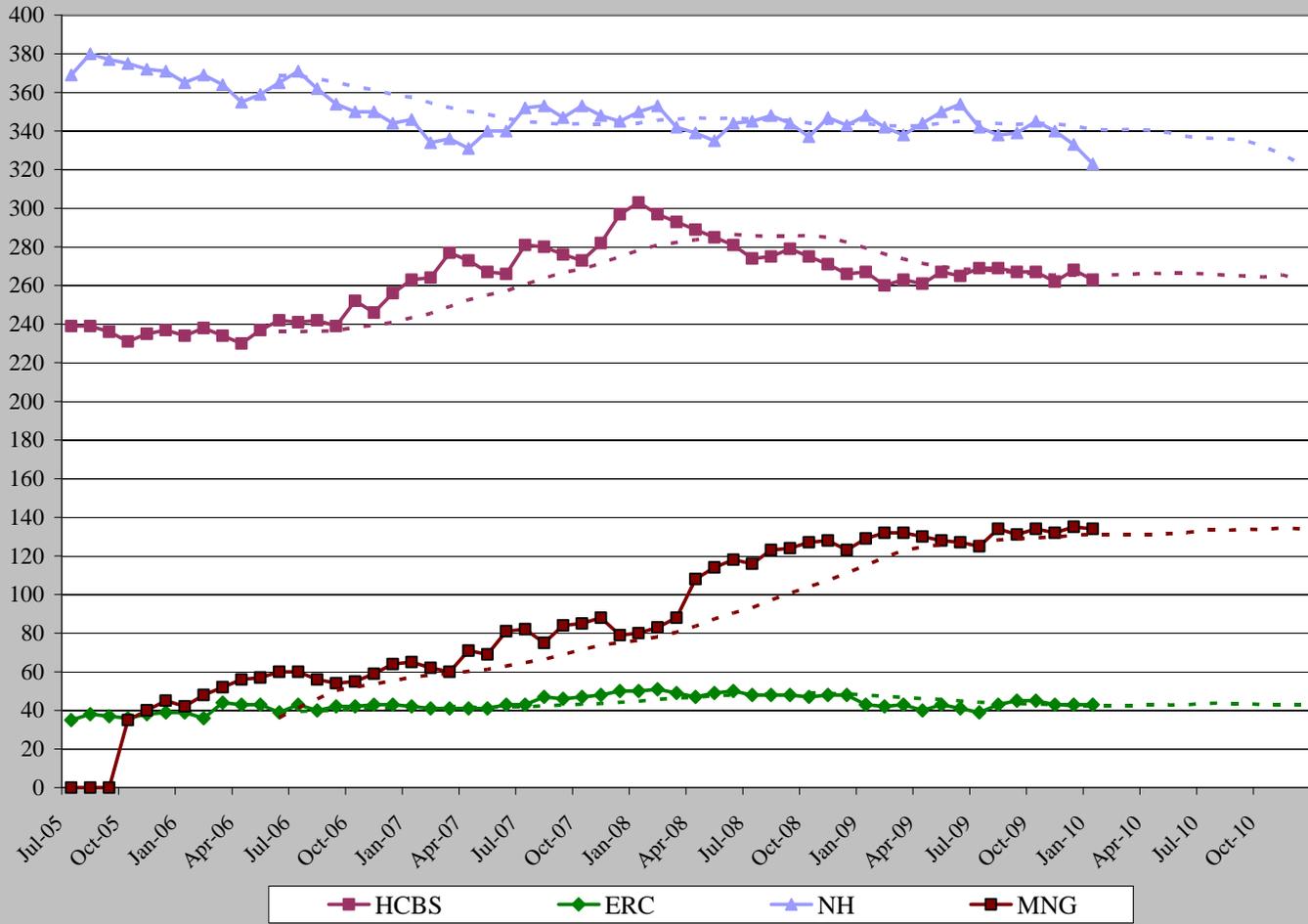
Data source: HP paid claims

In Caledonia County, use of HCBS has increased since July 2005. Use of ERC has remained close to 0. The use of MNG increased until November 2009, and has decreased since then.

The use of nursing homes has decreased.

### Chittenden County: Choices for Care Participants by Setting, sfy2005 - sfy2011

*data source: HP, Medicaid paid claims by dates of service*



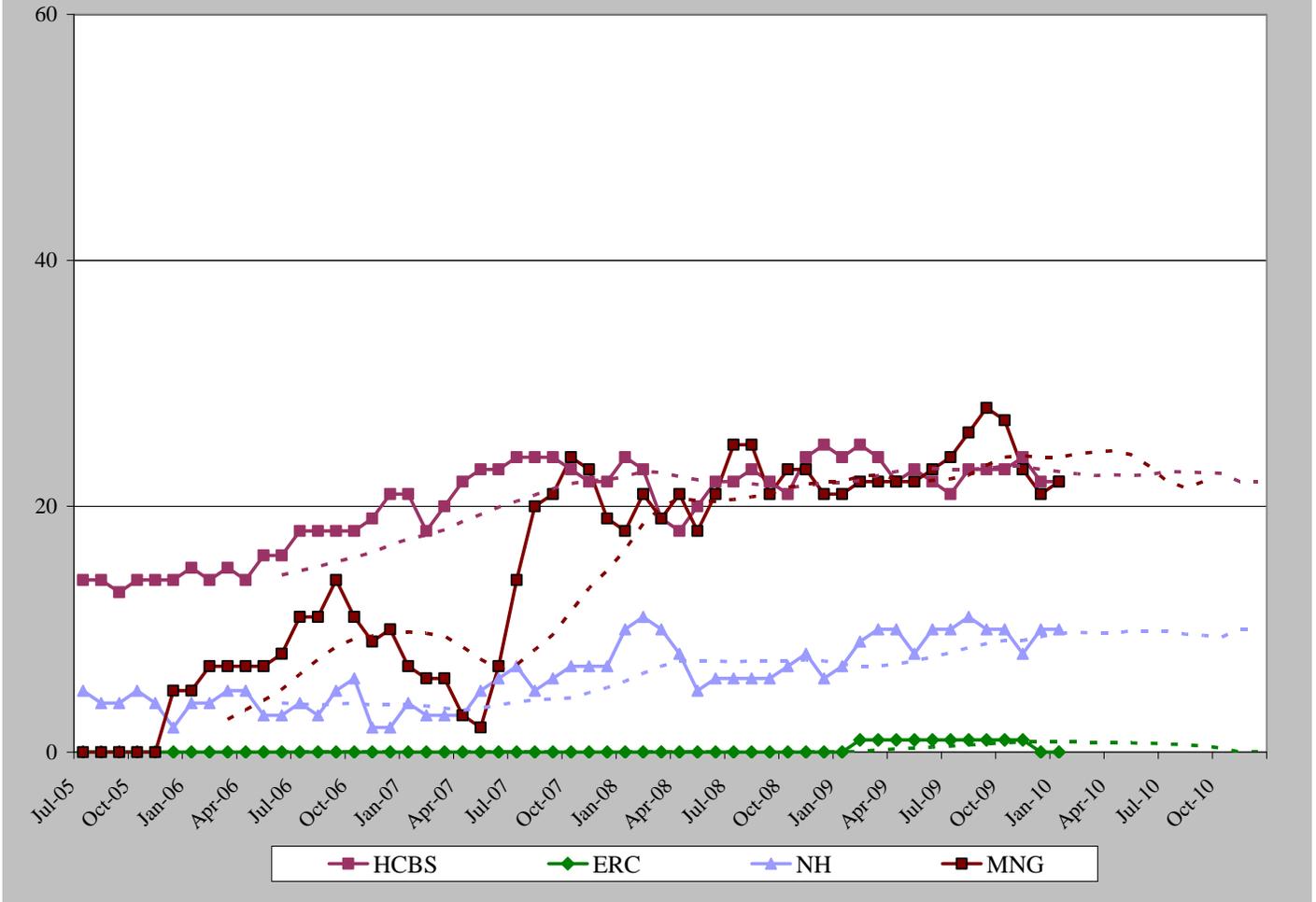
*Data source: HP paid claims*

In Chittenden County, use of HCBS has increased since July 2005. Use of ERC has remained fairly stable. The use of MNG has increased.

The use of nursing homes has decreased, with a notable decrease over the last three months.

### Essex County: Choices for Care Participants by Setting, sfy2005 - sfy2011

*data source: HP, Medicaid paid claims by dates of service*



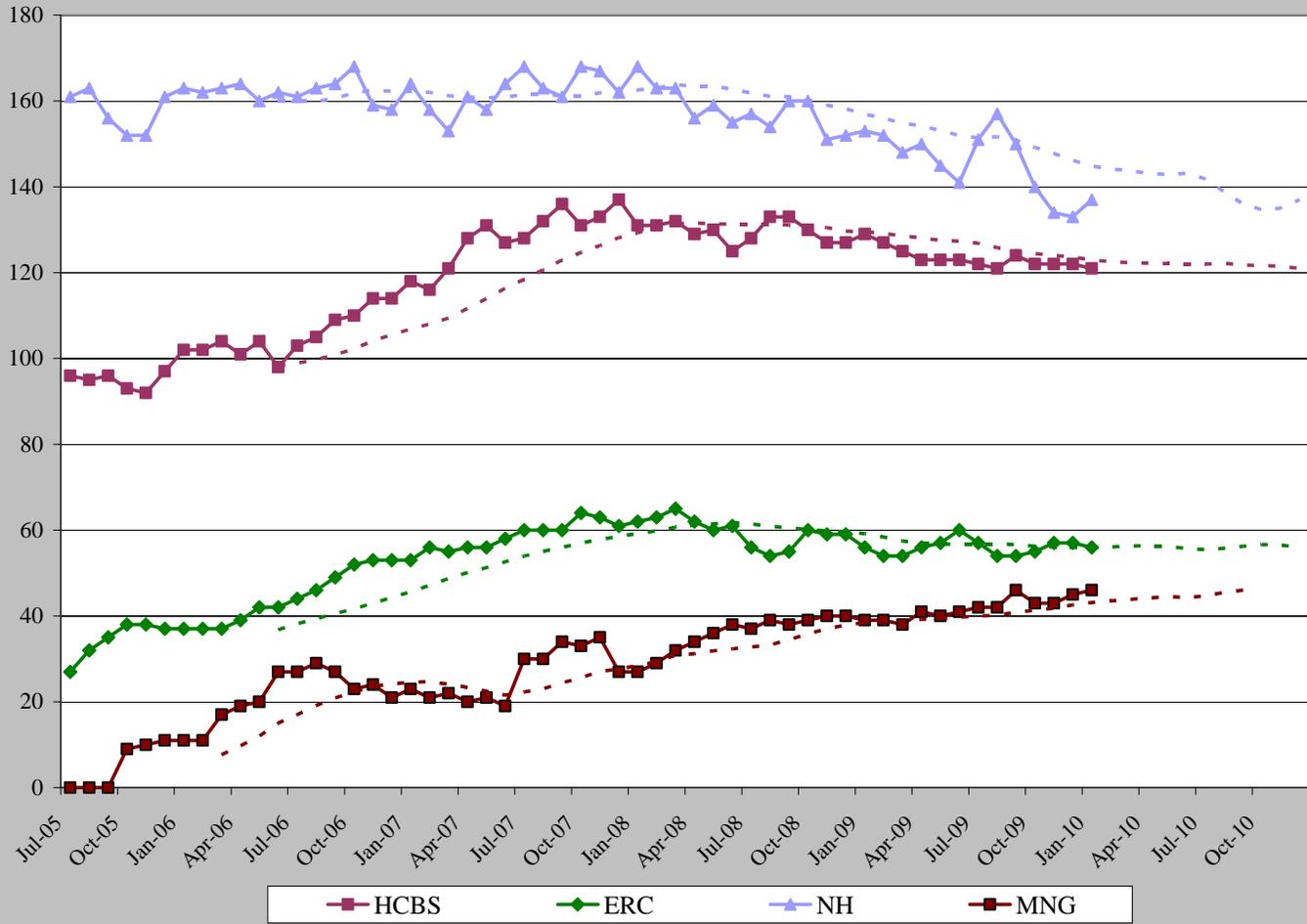
*Data source: HP paid claims*

In Essex County, use of HCBS has increased since July 2005. Use of ERC has remained near zero. The use of MNG has increased.

The use of nursing homes has increased.

### Franklin County: Choices for Care Participants by Setting, sfy2005 - sfy2011

data source: HP, Medicaid paid claims by dates of service



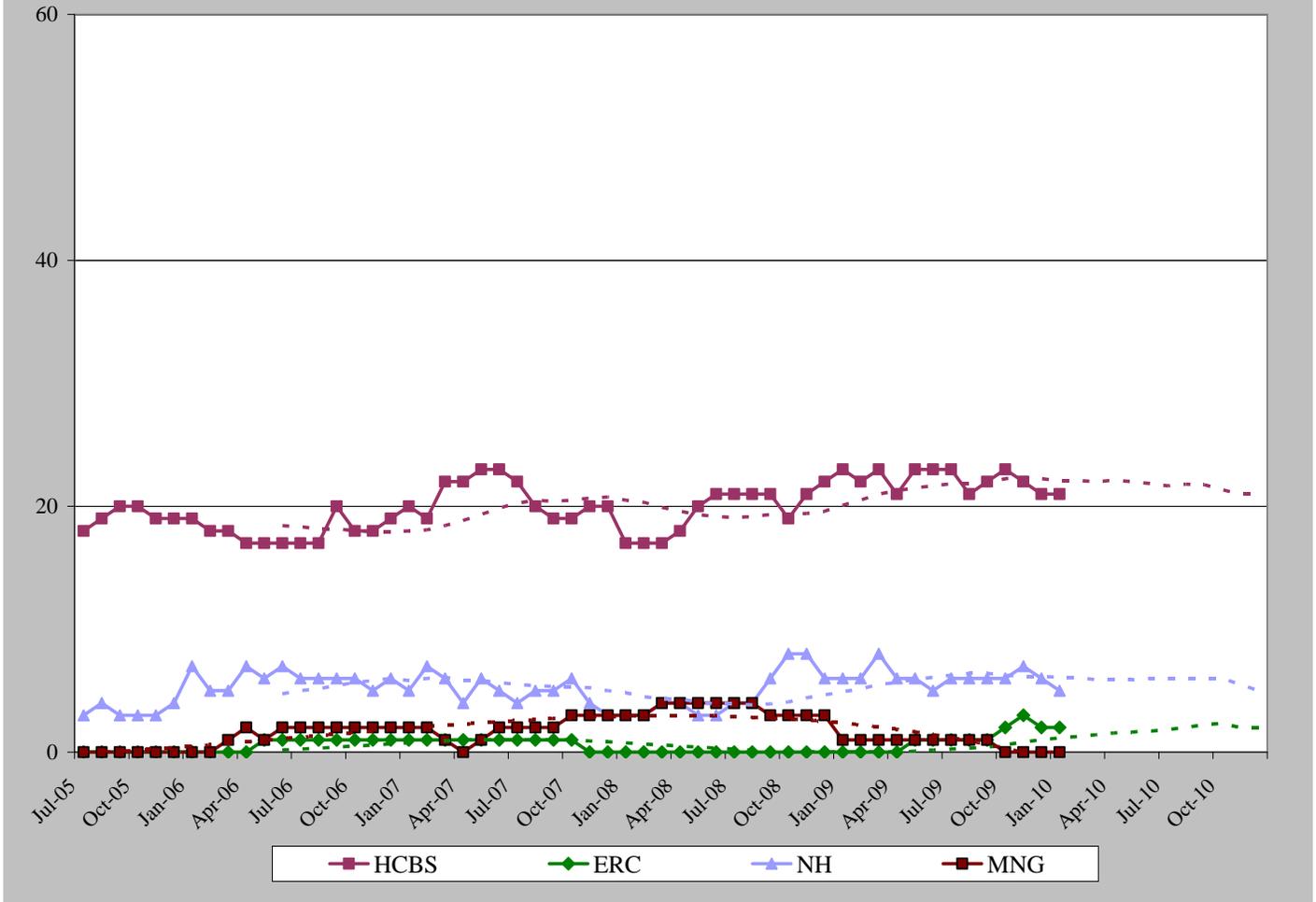
Data source: HP paid claims

In Franklin County, use of HCBS increased between July 2005 and January 2008, and has decreased since then. Similarly, use of ERC increased between July 2005 and April 2008, and has decreased slightly since then. The use of MNG has increased.

The use of nursing homes has decreased.

### Grand Isle County: Choices for Care Participants by Setting, sfy2005 - sfy2011

data source: HP, Medicaid paid claims by dates of service



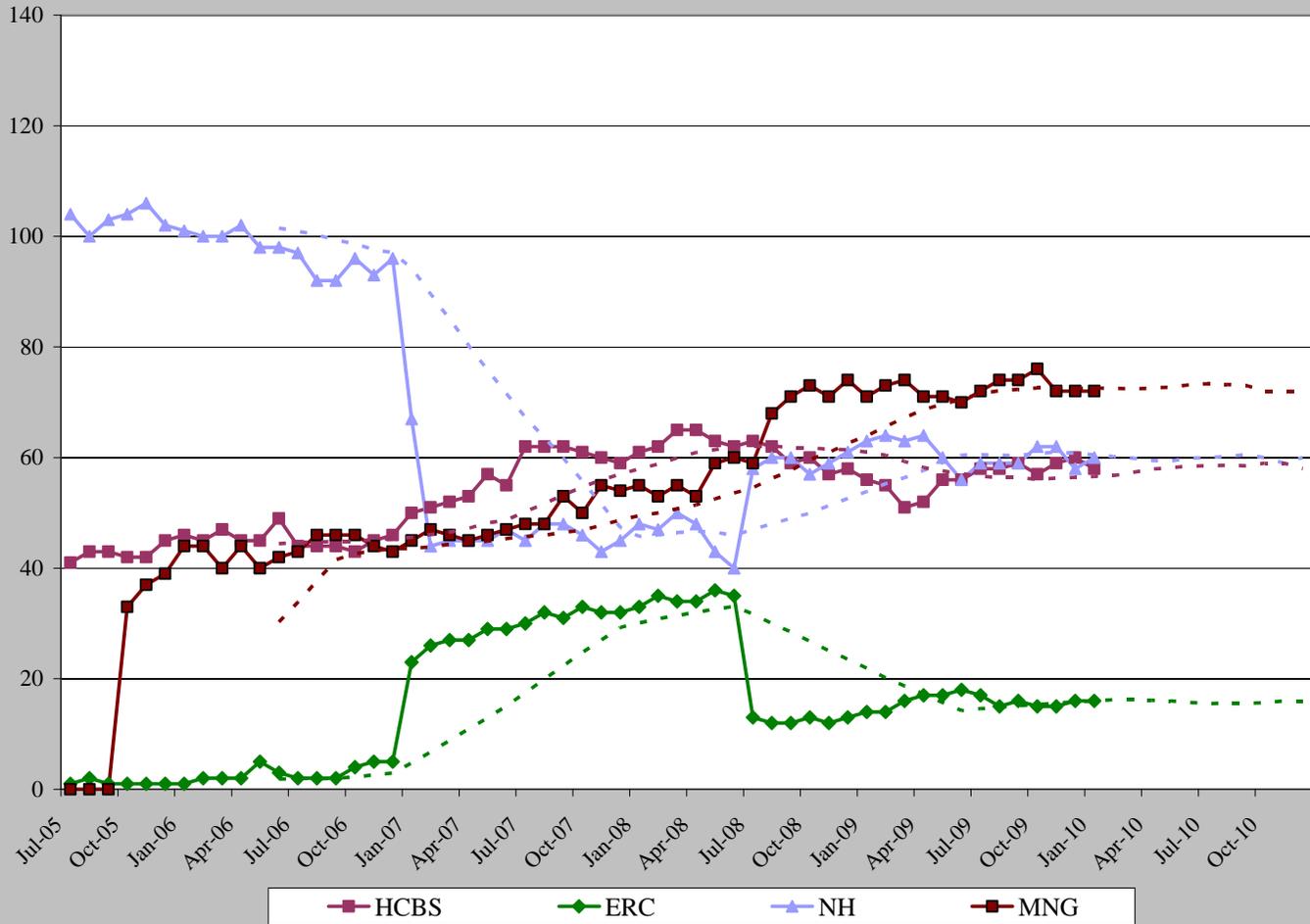
Data source: HP paid claims

In Grand Isle County, use of HCBS has remained fairly stable since July 2005. Use of ERC has remained near zero. The use of MNG has also remained near zero.

The use of nursing homes has increased slightly since July 2005.

### Lamoille County: Choices for Care Participants by Setting, sfy2005 - sfy2011

data source: HP, Medicaid paid claims by dates of service



Data source: HP paid claims

In Lamoille County, use of both HCBS and ERC has increased since July 2005. The use of MNG has increased substantially.

The use of nursing homes has decreased.

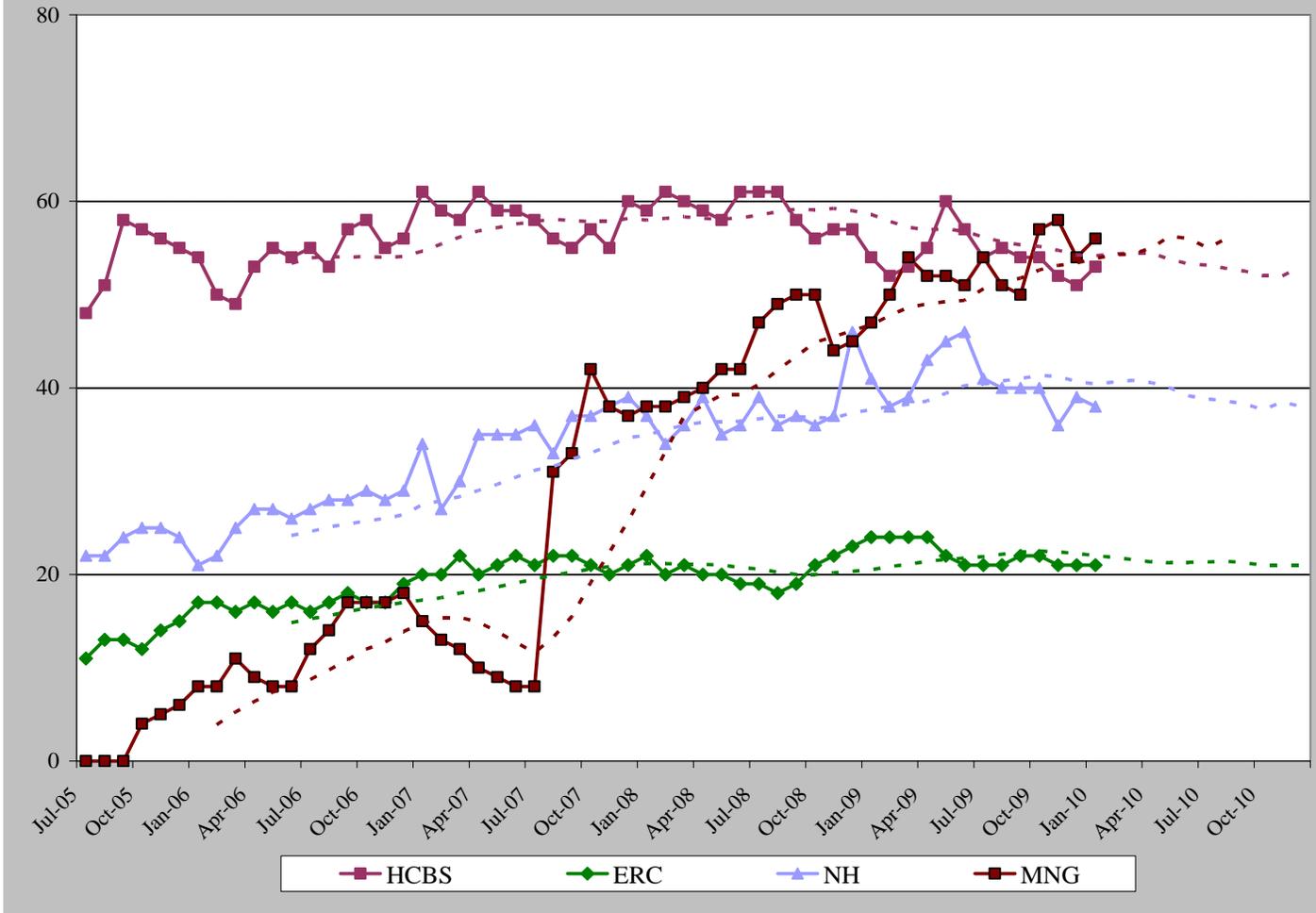
The data for service delivery patterns by setting in Lamoille is complicated by changes in licensing:

One facility (Morrisville Center) closed in January 2007.

A second facility (The Manor) increased ERC licensure in January 2007, followed by a change to NF licensure in July 2008.

### Orange County: Choices for Care Participants by Setting, sfy2005 - sfy2011

data source: HP, Medicaid paid claims by dates of service



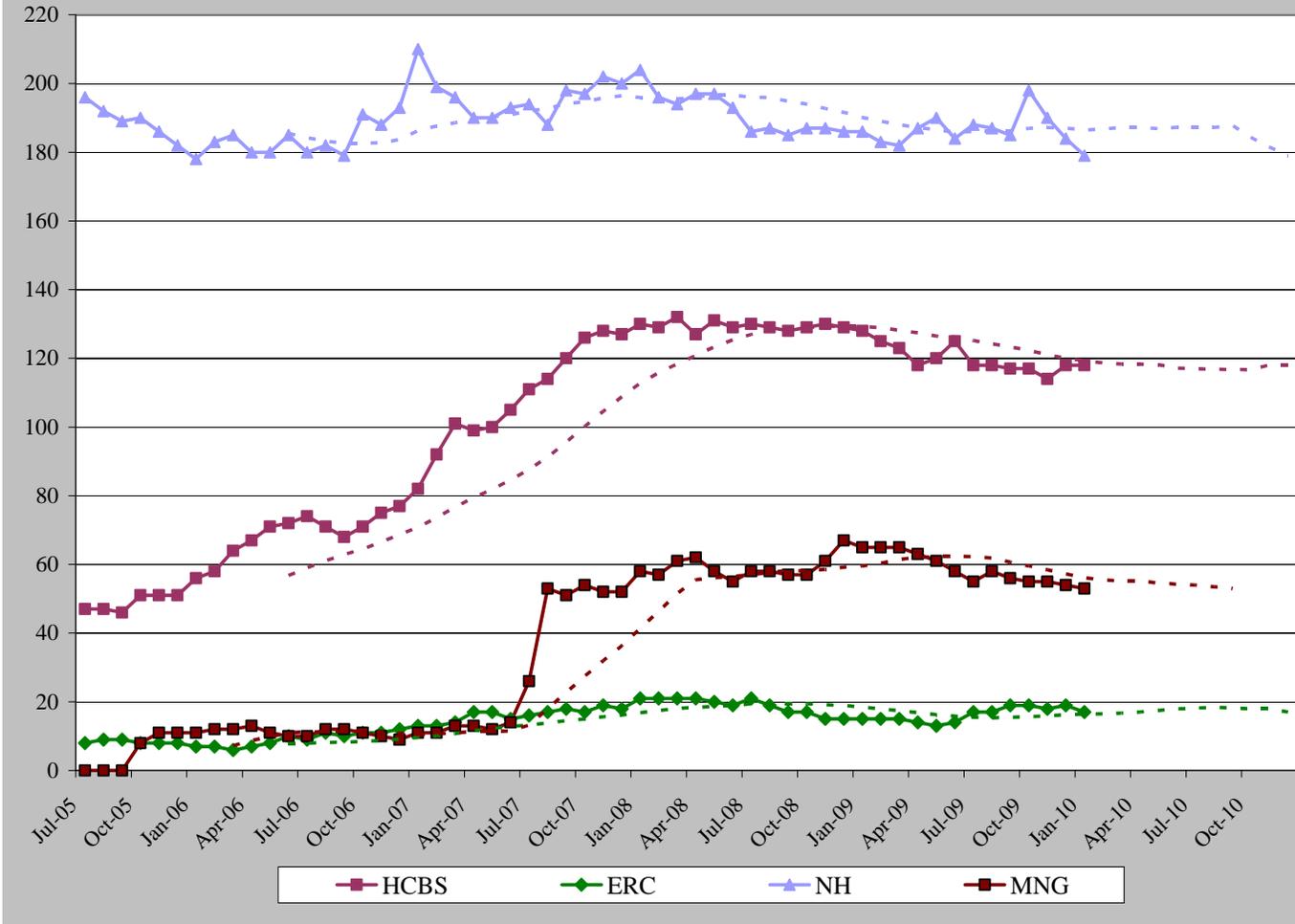
Data source: HP paid claims

In Orange County, use of HCBS is about the same as it was in July 2005. The use of ERC has increased. The use of MNG has continued to increase.

The use of nursing homes has also increased since July 2005.

### Orleans County: Choices for Care Participants by Setting, sfy2005 - sfy2011

data source: HP, Medicaid paid claims by dates of service



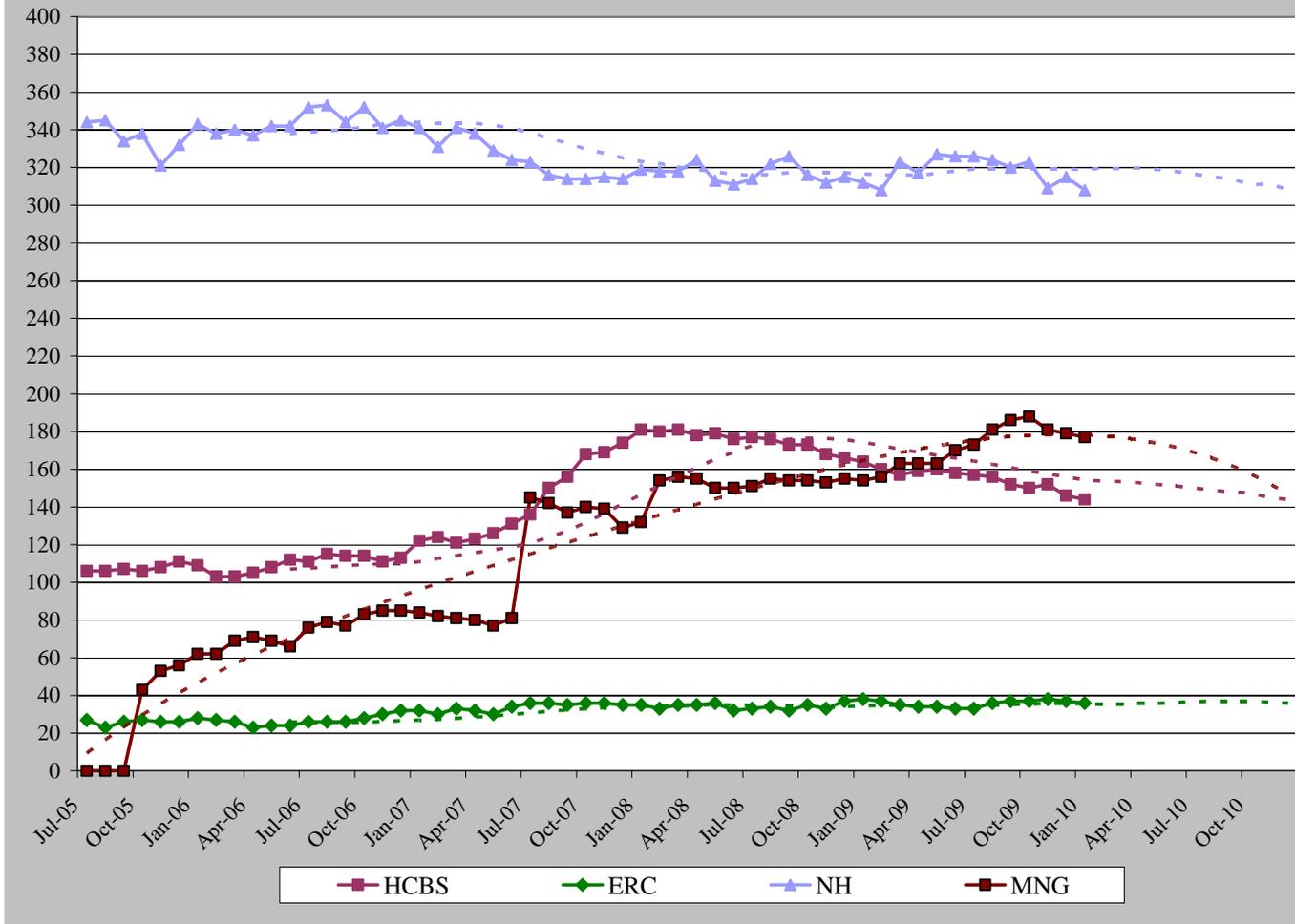
Data source: HP paid claims

In Orleans County, use of HCBS has increased significantly since July 2005, and the use of ERC has increased slightly. The use of MNG has increased until August 2007, and has remained fairly stable since then.

The use of nursing homes is about the same as it was in July 2005.

### Rutland County: Choices for Care Participants by Setting, sfy2005 - sfy2011

*data source: HP, Medicaid paid claims by dates of service*



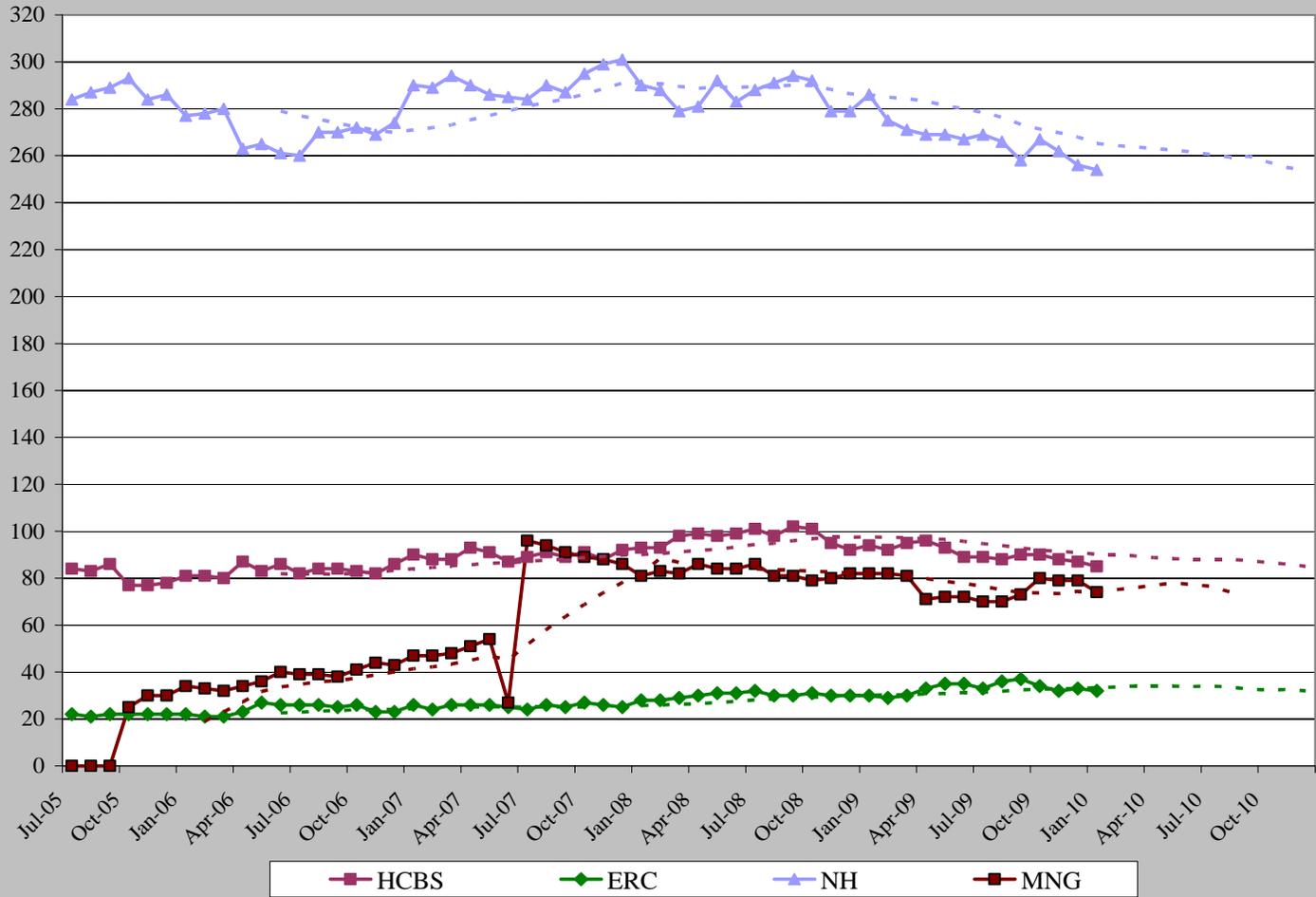
*Data source: HP paid claims*

In Rutland County, use of HCBS increased significantly between July 2005 and January 2008, and has slowly decreased since then. The use of ERC has increased slightly. The use of MNG increased until October 2009, and has decreased since then.

The use of nursing homes has decreased since July 2005.

## Washington County: Choices for Care Participants by Setting, sfy2005 - sfy2011

*data source: HP, Medicaid paid claims by dates of service*



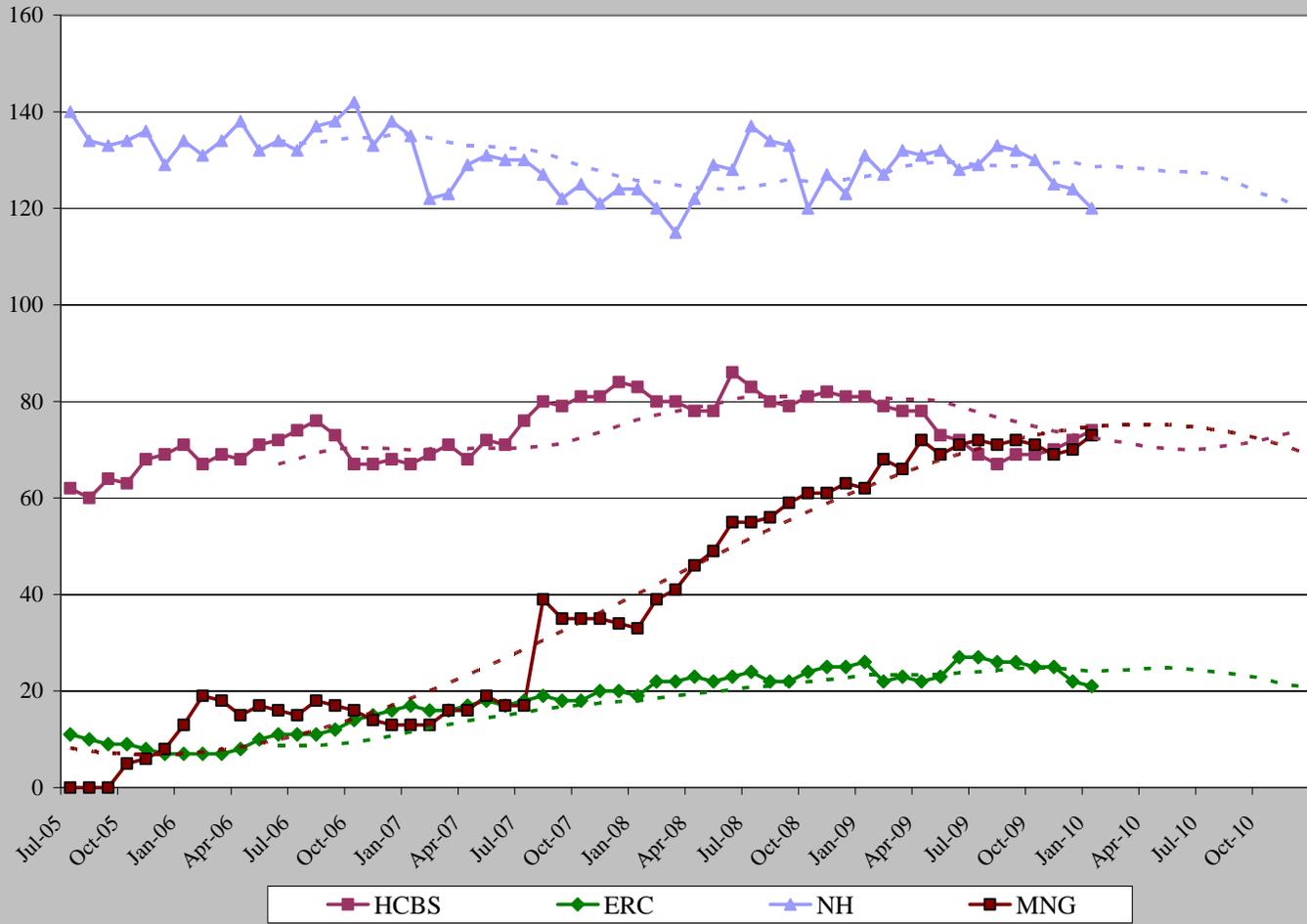
*Data source: HP paid claims*

In Washington County, use of HCBS is about the same as it was in July 2005. The use of ERC has increased modestly. The use of MNG increased until July 2007, and has decreased since then.

The use of nursing homes has decreased since July 2005.

### Windham County: Choices for Care Participants by Setting, sfy2005 - sfy2011

*data source: HP, Medicaid paid claims by dates of service*



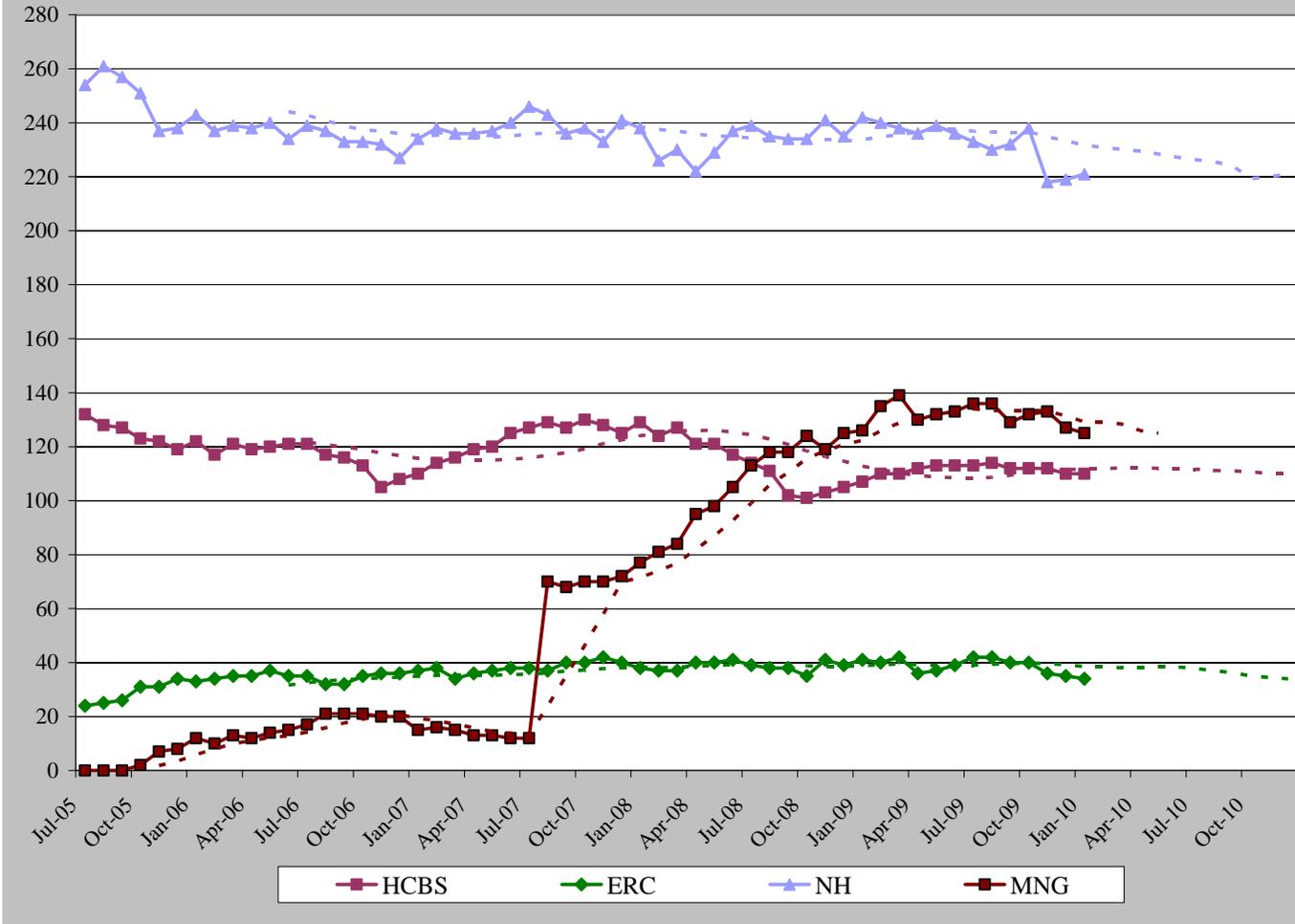
*Data source: HP paid claims*

In Windham County, use of HCBS is slightly higher than in July 2005. The use of ERC has increased modestly. The use of MNG has increased continuously.

The use of nursing homes has decreased since July 2005.

### Windsor County: Choices for Care Participants by Setting, sfy2005 - sfy2011

data source: HP, Medicaid paid claims by dates of service



Data source: HP paid claims

In Windsor County, use of HCBS is slightly less than in July 2005. The use of ERC has increased. The use of MNG increased until March 2009, and has decreased since then.

The use of nursing homes has decreased since July 2005.