

**Governor's
2009-11 Biennial Budget Request
Family Care Program**

February 20, 2009

Family Care: Overview

- Funding provided for Family Care sites that came on-line in 07-09 biennium
- Expansion of Family Care continues in 09-11 biennium
 - Ability to continue Family Care expansion was challenged significantly by state's extreme fiscal difficulties
 - Governor's Family Care expansion proposal meets the needs of as many people across the state as possible, while living within the current constrained fiscal environment
 - By the end of 09-11 biennium, 95% of state has access to ADRCs and MCOs will be operating in counties that include 90% of the state population

Family Care: Aging and Disability Resource Centers (ADRCs)

ADRCs provide critical functions:

- prevention services,
- information and assistance to seniors and people with disabilities
- serve as entry point to long-term care options

Family Care: ADRC Coverage

| | No. of ADRCs | No. of Counties | % of State population |
|-----------|--------------|-----------------|-----------------------|
| June 2009 | 33 | 55 | 73% |
| June 2010 | 36 | 58 | 85% |
| June 2011 | 37 | 61 | 95% |

Family Care: ADRC 09-11 Funding

- Incorporates higher federal Medicaid claiming rate, 28% versus 23.62%, based on recent actual levels
- To phase in new ADRCs, activities and funding for Disability Benefit Specialists begin 6 months after start date
- Due to fiscal constraints in 09-11 biennium, it was not possible to update the funding formula.

Family Care: Requested ADRC 09-11 Funding (\$ million)

| | GPR | AF |
|---|-------|------|
| Cost to Continue for Sites started prior to July 09 | (1.4) | 1.8* |
| New Sites | 9.9 | 13.8 |
| Total | 8.5 | 15.6 |

* Due to a technical error, the Governor's Biennial Budget understates the federal portion of cost to continue, which would result in a negative all funds amount.

Family Care: Managed Care Organizations (MCOs)

- An interdisciplinary team that includes the consumer develops a cost-effective care plan to support the consumer's long-term care needs
- Provide services to the consumer through a broad network of contracted service providers
- Coordinate with other health services the consumer needs, such as medical care or hospitalization
- Ensure quality services are provided at all times
- Receive a monthly capitation rate for each enrollee

Family Care: MCO Coverage

| | No. of counties | % of State Population |
|-----------|-----------------|-----------------------|
| June 2009 | 38 | 59% |
| June 2010 | 55 | 78% |
| June 2011 | 59 | 90% |

Family Care: MCO 09-11 Funding

- Timeline for enrolling all waitlist individuals in each site extended from two years to three years

Family Care: Requested MCO 09-11 Funding (\$ million)

| | GPR | AF |
|---|--------|------|
| Cost to Continue for Sites started prior to July 09 | 10.8 | 85.0 |
| New Sites | (19.6) | 5.5 |
| Total | (8.8) | 90.5 |

Family Care: County Contribution and Adult Protective Services

- Current phase-down of county contribution remains in place: A county's contribution to Family Care phases down by 25%/year over a five year period to the amount equal to 22% of the county's Community Aids Basic County Allocation, for those counties with initial Family Care contributions above that level
- Adult Protective Services (APS) for new Family Care sites remains in place: As a county comes on-line with Family Care, the state provides a new funding stream for APS to help ensure adequate support for this function after Family Care expansion

Family Care: Other Components

- Funding for state oversight functions, including federally-required external quality review functions, federally-required actuarial services, technical functional screen updates, and tracking and monitoring participant outcomes
- Disability Ombudsman Program: statutory change to adopt ratio of 1 ombudsman per 3500 participants with a disability. Funding reflects projected enrollment level, current program model and new ratio
 - FY10: \$495,800 AF
 - FY11: \$612,200 AF

Family Care: Other Components

- Alzheimer's Family Caregiver Support Program will be phased out of Family Care counties by Dec. 2009 for current Family Care counties and within one year of start date for new Family Care counties
- Expansion of the types of entities that can become personal care providers, to reflect the fact that counties may discontinue being personal care providers after becoming a Family Care site
 - New providers subject to certification by DHS Division of Quality Assurance (DQA)
- Transfer of oversight of 1-2 bed adult family from counties to the state
 - 1-2 bed homes will be subject to initial certification by DQA
 - existing county homes will not need to be recertified; will be asked to attest that they meet the certification standards
 - DQA will investigate complaints filed

Family Care: Total 09-11 Funding Request (\$ millions)

| | FY10 | | FY11 | |
|---|------------|-----------|------------|-----------|
| | <i>GPR</i> | <i>AF</i> | <i>GPR</i> | <i>AF</i> |
| ADRCs | 2.5 | 5.3 | 6.0 | 10.3 |
| Adult Protective Serv. | 2.5 | 2.5 | 3.4 | 3.4 |
| Disability Ombudsman | 0.3 | 0.5 | 0.3 | 0.6 |
| <i>Subtotal</i> | 5.3 | 8.3 | 9.7 | 14.3 |
| | | | | |
| MCOs (excl. county contribution) | (17.8) | 9.8 | (5.2) | 80.7 |
| County Contribution Phase down | 3.0 | | 11.2 | |
| TOTAL | (9.5) | 18.1 | 15.7 | 95.0 |