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**Report to  
The Vermont Legislature**

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**Report on Recommendations to Codify the  
Choices for Care Annual Savings Language**

**In Accordance with 2017 Act 85, §E.308.2. An act related to making  
appropriations for the support of government.**

**Submitted to: Senate Committee on Appropriations  
House Committee on Appropriations**

**Submitted by: Monica Caserta Hutt, Commissioner, DAIL**

**Report Date: January 15, 2018**



## Legislative Report on Recommendations to Codify the Choices for Care Annual Savings Language

- a) *The Department of Disabilities, Aging, and Independent Living shall make a recommendation to codify the process of determining, allocating, and dispersing any Choices for Care annual savings with its fiscal year 2019 budget presentation.*

During the 2017 Legislative Session, the Legislature asked the Department of Disabilities, Aging and Independent Living to recommend language which would codify the process to determine, allocation and disperse any Choices for Care annual savings as defined in statute.

We are grateful for the opportunity to consider this language and to offer our thoughts. After review of current language and variations of the language over the last few sessions, the following language represents our recommendation.

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In the Choices for Care program, “savings” means the difference remaining at the conclusion of each fiscal year between the amount of funds appropriated for Choices for Care, excluding allocations for the provision of acute care services, and the sum of expended and obligated funds, less an amount equal to one percent (1%) of the current fiscal year total Choices for Care expenditure. The one percent shall function as a reserve to avoid implementing a High Needs wait list due to unplanned Choices for Care budget pressures throughout the year.

Savings shall be calculated by the Department of Disabilities, Aging and Independent Living (DAIL) and reported to the Joint Fiscal Office at their regularly scheduled September meeting each year. DAIL shall not reduce the base funding needed in a subsequent fiscal year prior to calculating savings for the current fiscal year.

Savings shall be one-time investments or shall be used in ways that are sustainable into the future. Use of savings shall be based on the assessed needs of Vermonters as identified by DAIL and its stakeholders. Priority for use of any identified savings, after the needs of all individuals meeting the terms and conditions of the waiver have been met, shall be given to home and community-based services.

For this purpose, Choices for Care “home and community-based” services include all home-based services and Enhanced Residential Care.

Savings may be used to:

- a. Increase Choices for Care home and community-based provider rates.
- b. Increase Choices for Care self-directed services budgets.
- c. Expand Choices for Care capacity to accommodate additional enrollees.
- d. Expand Choices for Care home and community-based service options.
- e. Address Choices for Care quality improvement outcomes.

- f. Fund an investment to serve older Vermonters and Vermonters with disabilities outside of Choices for Care, understanding that non-Medicaid services are not eligible for federal match.

Savings shall not be used to:

- Increase nursing home rates already addressed under 33 V.S.A. § 905.
- Pay for budget pressures related to the Collective Bargaining Agreement for independent direct support workers.

The Commissioner shall determine how to allocate available Choices for Care program savings at the end of each fiscal year if any savings are identified and shall report to the Joint Fiscal Committee at their regularly scheduled September meeting on these allocations. The plan to allocate savings shall be implemented by September of each fiscal year.”

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