

State of Vermont

Department of Disabilities, Aging and Independent Living
Adult Services Division

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Agency of Human Services

To: The Senate Committee on Health and Welfare
From: Angela Smith-Dieng, Director of Adult Services, DAIL
Date: March 23, 2022
Re: Testimony on H.153, an act relating to Medicaid reimbursement rates for home- and community-based services

Introduction

For the record, my name is Angela Smith-Dieng, Director of the Adult Services Division at the Department of Disabilities, Aging and Independent Living, where our mission is to make Vermont the best state to grow old or live with a disability – with dignity, respect and independence.

Thank you for the opportunity to testify today about H.153. DAIL supports the establishment of methodologies for payment rates of home- and community-based services, alignment of methodologies with those of other payers where possible, and a predictable schedule for Medicaid rate updates for these services. In addition to ensuring stable and predictable payments, this would prevent the need for seeking rate increases through the legislative process each year. It is important to note that rate-setting of the existing fee-for-service rates does not directly address payment reform or other alignment with the All-Payer Model, for example, value-based payments. Rate setting is essentially one part of the triple aim under payment reform, addressing costs, but it does not necessarily or directly address quality or access, although it may lead to improved quality and access over time.

Choices for Care is just one program under the ‘home- and community-based services’ umbrella within the bill. I would like to focus on providing an understanding of the breadth of services under Choices for Care and the diverse network of service providers providing those services to illustrate how the work envisioned under H.153 will be a major undertaking for AHS given its scope and complexity.

The purpose of the “Choices for Care” program, which operates within the State’s Global Commitment to Health 1115 Waiver, is to provide long-term services and supports to older adults and adults with physical disabilities. Its primary goal is to ensure Vermonters have access to receive long-term services in the setting of their choice, whether that be a skilled nursing

facility, licensed residential care home or assisted living residence, or a home- and community-based setting.

Choices for Care (High/Highest) Services

Traditional home-based services include the following seven (7) core services, each with its own corresponding rate:

- Case Management
- Personal Care Services
- Companionship
- Respite
- Adult Day
- Assistive Devices/Home Modifications
- Personal Emergency Response Systems

Traditional home-based services can be agency-directed, consumer-directed or surrogate-directed. If consumer/surrogate-directed, the participant or surrogate hires their own employees to provide personal care, companionship and respite, and wages are governed by the Collective Bargaining Agreement.

Alternatives to Traditional Home-based:

- Flexible Choices (flexible budget to purchase goods and services based on individualized needs/goals)
- Adult Family Care Home Services (24-hour package of services, includes 10 tier rates based on level-of-care need)

Residential Care Homes and Assisted Living Residences:

- Enhanced Residential Care (24-hour package of services with 3 tiers based on level-of-care need). It is important to note that this Choices for Care service is combined with Assistive Community Care Services (ACCS) to support those with nursing-home level of care needs in residential care or assistive living.

Skilled Nursing Facilities:

- 24-hour package of services (rates determined by DVHA according to nursing home rate setting rules in statute and regulation)

Detailed descriptions of services can be found in the Choices for Care Program Operations Manual: [Merged CFC_High_Highest_Manual.pdf \(vermont.gov\)](#). Current rates by program and

service type are in the Adult Services Division Medicaid Rate Table here: [ASD Rate Table \(vermont.gov\)](#).

Provider Network

To provide the above Choices for Care services, the Long-Term Care System relies on a large and diverse network of approximately 43 community-based organizations and 160 long-term care facilities across Vermont. Agencies are certified by DAIL to provide certain services; some are regulated by the Division of Licensing and Protection; others have quality oversight provided by the Adult Services Division. In addition, thousands of independent direct support workers outside of agencies provide direct care to Choices for Care participants at home.

Providers include:

- 11 Home Health Agencies providing case management, personal care services, companionship, and respite
- 5 Area Agencies on Aging providing case management
- 11 Adult Day Centers providing Adult Day services
- 14 Authorized Agencies for Adult Family Care
- 1 agency authorized to provide Flexible Choices consultants
- 106 Residential Care Homes
- 17 Assisted Living Residences
- 37 Skilled Nursing Facilities

A rate study of Choices for Care alone would be complex given the large number of distinct services, providers and factors at play. For example, the Adult Family Care option alone includes 10 tier rates to be reviewed.

In addition to Choices for Care, Section 4 of H.153 includes developing a rate methodology for five additional programs with multiple services. Under the Adult Services Division, the Brain Injury Program includes 10 different services with their own rates provided by about a dozen different providers.

Conflict-free case management, which the State is also mandated to address over the next several years across many programs, may change the mix of services agencies provide, adding an additional layer of complexity to this task.

Recommendation

DAIL recommends that H.153 be modified to allow for more time to complete the rate study given the scope and complexity of the task. We would recommend considering a phased

approach over time, studying one program at a time to allow for thorough review, including stakeholder engagement. H.153 includes such a comprehensive list of home- and community-based services to be reviewed as part of a rate study and rate determination, it is important that this work be done thoughtfully and carefully. It cannot all be done in one year. Ensuring providers have a voice in the process is critical, since it is providers who have been advocating for this work. We must approach the process with transparency and accountability throughout, and this will take time.

Conclusion

Providing adequate and predictable rates to providers of home- and community-based long-term care in Vermont is key to having a strong and sustainable network and long-term care system now and into the future. DAIL is ready to be a part of this important work in collaboration with partners across AHS and across the community. Thank you.

Respectfully submitted,
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