

State of Alaska FY2006 Governor's Operating Budget

Department of Health and Social Services Senior and Disabilities Services Results Delivery Unit Budget Summary

Senior and Disabilities Services Results Delivery Unit

Contribution to Department's Mission

The mission of the Division of Senior and Disabilities Services is to promote the independence of Alaska Seniors and people with physical and developmental disabilities.

Core Services

- 1) Institutional and community-based services for older Alaskans and persons with disabilities.
- 2) Protection of vulnerable adults.

End Results	Strategies to Achieve Results
<p>A: Improve and enhance the quality of life for seniors and persons with disabilities through cost-effective delivery of services.</p> <p><u>Target #1:</u> 10% reduction in DSDS Medicaid costs. <u>Measure #1:</u> Percent change in cost of Medicaid waiver services.</p>	<p>A1: Maximize all revenue sources by streamlining program operations and cost effective delivery of Medicaid services.</p> <p><u>Target #1:</u> Maximize revenue sources for all Medicaid programs by ensuring that those beneficiaries who are entitled for services under 100% Federal Medicaid Claiming are being billed under the appropriate claiming source. <u>Measure #1:</u> Maintain current level of services and at the same time preserve GF funds by increasing the number of IHS recipients that move from state Medicaid to 100% federal Medicaid by 10% per year.</p> <p>A2: Improve the request for proposal process for the Older American Act grants and overall program administration.</p> <p><u>Target #1:</u> Clear, concise RFP process with an efficient administration of programs. <u>Measure #1:</u> No errors or omissions in RFP, zero complaints from prospective grantees, and no adverse audit findings.</p>
End Results	Strategies to Achieve Results
<p>B: Increase community outreach and awareness of HCBS.</p> <p><u>Target #1:</u> Increase the number of seniors who are able to remain in their home or rural communities by 5% per year. <u>Measure #1:</u> Number of elders who are able to remain in their communities and receive HCBS.</p>	<p>B1: Development of Home and Community Based Services in Rural Alaska.</p> <p><u>Target #1:</u> Add five new rural communities per year that offer HCBS. <u>Measure #1:</u> Increase in the number of rural communities offering HCBS.</p>

FY2006 Resources Allocated to Achieve Results

FY2006 Results Delivery Unit Budget: \$280,500,100	Personnel:	
	Full time	80
	Part time	1
	Total	81

Performance Measure Detail

A: Result - Improve and enhance the quality of life for seniors and persons with disabilities through cost-effective delivery of services.

Target #1: 10% reduction in DSDS Medicaid costs.

Measure #1: Percent change in cost of Medicaid waiver services.

Average Cost/Medicaid Waiver

Year	avg cost				YTD
2003	31,747				
2004	35,317				

Analysis of results and challenges: The average cost per Medicaid Waiver has increased from FY2003 to FY2004. The division implemented new regulations which have cost containment measures built in. We will see some improvement in the cost containment of Medicaid in FY2005, but it will be minimal. The Department of Law ruled that the Plans of Care are contracts and cannot be modified until they come up for renewal or amendment.

A1: Strategy - Maximize all revenue sources by streamlining program operations and cost effective delivery of Medicaid services.

Target #1: Maximize revenue sources for all Medicaid programs by ensuring that those beneficiaries who are entitled for services under 100% Federal Medicaid Claiming are being billed under the appropriate claiming source.

Measure #1: Maintain current level of services and at the same time preserve GF funds by increasing the number of IHS recipients that move from state Medicaid to 100% federal Medicaid by 10% per year.

Transfer of recipients from Medicaid Match to 100% Federal

Year	# of Recpts				YTD
2004	28				28

Analysis of results and challenges: In the Yukon Kuskokwim Delta Area, the division worked with the YK Health Corporation in FY2004 to transfer Indian Health Service Beneficiaries from regular state Medicaid with a split of approximately 60% federal and 40% state match to 100% federal as part of a refinancing project. This has resulted in an approximate \$2.0 million GF savings. The division started a pilot project in the Yukon Kuskokwim Delta area to move IHS beneficiaries on to the 100% federal Medicaid reimbursement.

A2: Strategy - Improve the request for proposal process for the Older American Act grants and overall program administration.

Target #1: Clear, concise RFP process with an efficient administration of programs.

Measure #1: No errors or omissions in RFP, zero complaints from prospective grantees, and no adverse audit findings.

Older Americans Act Grants to Local Grantees

Year	Appeals	Audit	Omissions	YTD
2004	2	0	0	2
2005	0	0	0	0

Analysis of results and challenges: During the FY2004 Grant process, we received two appeals based on the final grant awards. The FY2004 Grants were issued under the Department of Administration and were for two years. There were no appeals in FY2005 as it was a continuation year.

B: Result - Increase community outreach and awareness of HCBS.

Target #1: Increase the number of seniors who are able to remain in their home or rural communities by 5% per year.

Measure #1: Number of elders who are able to remain in their communities and receive HCBS.

No. of People Receiving HCB Svcs in their Communities

Year	# of Recpts			YTD
2003	910			
2004	950			

Analysis of results and challenges: The division works with the individual communities to help them provide services to their elders. We cannot list the communities where services are provided because of confidentiality. Most of these communities are so small that only one member is receiving services. When that individual dies, the community may not have a need for HCB services for a number of years.

B1: Strategy - Development of Home and Community Based Services in Rural Alaska.

Target #1: Add five new rural communities per year that offer HCBS.

Measure #1: Increase in the number of rural communities offering HCBS.

Number of Rural Communities Offering HCBS

Year	# of Com.			YTD
2003	75			75
2004	83			83

Analysis of results and challenges: The division works with the individual communities to help them provide services to their elders. We cannot list the communities where services are provided because of confidentiality. Most of these communities are so small that only one member is receiving services. When that individual dies, the community may not have a need for HCB services for a number of years.

Key RDU Challenges

Key issue for the Division of Senior and Disabilities Services is cost containment of the Medicaid Waiver and Personal Care Attendent (PCA) programs. To accomplish this the division is:

1. Implementing regulations that will establish uniform accounting practices and reasonable reimbursement levels for necessary Medicaid waiver services; reimburse providers based upon each service provided rather than the "bundling" of services which has been the existing practice for the Mental Retardation/ Developmental Disabilities and Children with Chronic Medical Conditions Waivers.
2. Strengthening the Quality Assurance Unit including random audits, utilization reviews, and client satisfaction interviews to ensure program compliance, quality of services and detection of suspected fraud.
3. Development of professional staff to allow for integration of waiver processing of all waivers.

Significant Changes in Results to be Delivered in FY2006

The division will work to maintain Medicaid services through a combination of refinancing and cost containment so that core services can be maintained for all eligible groups. The division promulgated regulations to help contain costs. It also established a committee consisting of state employees and providers to develop a cost methodology base. The work on this base will continue in FY2005 and FY2006.

One of the major cost containment measures that the division is undertaking in FY2005 is to implement the assessments for the Personal Care Attendant program in house. The division is in the process of hiring 8 additional staff to perform the assessments to ensure that only those services which are needed to provide for a quality of life are provided.

Major RDU Accomplishments in 2004

During FY2004, the Division of Senior and Disabilities Services provided home and community based services to more than 4,000 individuals and their families. By providing these services in the community setting, we were able to delay the entry of these individuals into institutions.

Also in FY2004, the division provided services to 1,150 individuals in Nursing Homes.

The division continued to provide technical assistance to Assisted Living Homes and to communities for the expansion of Home and Community Based services. They also continued working on workforce development projects for the recruitment and retention of direct service workers.

Contact Information

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**Senior and Disabilities Services
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2004 Actuals				FY2005 Management Plan				FY2006 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula												
Expenditures												
Senior/Disabilities Medicaid Svc	88,490.1	146,333.6	1,558.4	236,382.1	74,832.0	116,459.2	0.0	191,291.2	101,205.1	146,044.2	1,375.0	248,624.3
Non-Formula												
Expenditures												
Senior/Disabilities Svcs Admin	1,393.9	1,485.7	0.0	2,879.6	2,143.9	3,725.3	300.7	6,169.9	3,371.3	3,996.8	111.2	7,479.3
Protection and Comm Svcs	4,251.4	1,942.9	1,619.3	7,813.6	3,182.4	145.6	0.0	3,328.0	3,838.7	0.0	0.0	3,838.7
Nutrition, Transp & Support Svcs	1,117.3	5,035.5	0.0	6,152.8	1,533.8	5,142.4	0.0	6,676.2	0.0	0.0	0.0	0.0
Senior Community Based Grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,531.9	6,043.4	540.3	11,115.6
Home and Community Based Care	1,827.7	582.7	825.1	3,235.5	2,998.1	901.0	1,224.8	5,123.9	0.0	0.0	0.0	0.0
Senior Residential Services	727.0	0.0	0.0	727.0	815.0	0.0	0.0	815.0	815.0	0.0	0.0	815.0
Community DD Grants	5,657.3	0.0	1,031.8	6,689.1	8,054.7	0.0	1,049.9	9,104.6	7,697.3	0.0	929.9	8,627.2
Senior Employment Services	198.3	1,636.4	0.0	1,834.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Totals	103,663.0	157,016.8	5,034.6	265,714.4	93,559.9	126,373.5	2,575.4	222,508.8	121,459.3	156,084.4	2,956.4	280,500.1

Senior and Disabilities Services
Summary of RDU Budget Changes by Component
From FY2005 Management Plan to FY2006 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	93,559.9	126,373.5	2,575.4	222,508.8
Adjustments which will continue current level of service:				
-Senior/Disabilities Medicaid Svc	-399.5	-399.5	0.0	-799.0
-Senior/Disabilities Svcs Admin	1,158.5	271.5	1.5	1,431.5
-Protection and Comm Svcs	-93.7	-145.6	0.0	-239.3
-Nutrition, Transp & Support Svcs	-1,533.8	-5,142.4	0.0	-6,676.2
-Senior Community Based Grants	4,531.9	6,043.4	540.3	11,115.6
-Home and Community Based Care	-2,998.1	-901.0	-540.3	-4,439.4
-Community DD Grants	-357.4	0.0	0.0	-357.4
Proposed budget decreases:				
-Senior/Disabilities Svcs Admin	0.0	0.0	-191.0	-191.0
-Home and Community Based Care	0.0	0.0	-684.5	-684.5
-Community DD Grants	0.0	0.0	-120.0	-120.0
Proposed budget increases:				
-Senior/Disabilities Medicaid Svc	26,772.6	29,984.5	1,375.0	58,132.1
-Senior/Disabilities Svcs Admin	68.9	0.0	0.0	68.9
-Protection and Comm Svcs	750.0	0.0	0.0	750.0
FY2006 Governor	121,459.3	156,084.4	2,956.4	280,500.1