

Office of the
Legislative Fiscal Analyst

FY 2005 Budget Recommendations

Joint Appropriations Subcommittee for
Health and Human Services

Utah Department of Human Services
Aging and Adult Services

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1.0 Summary: Division of Aging and Adult Services

The Division of Aging and Adult Services (DAAS) is the designated state agency authorized to coordinate all state activities related to the Older Americans Act of 1965 (amended in the year 2000). It advocates for the elderly, contracts for services, and administers State and federal programs for the elderly. Programs funded through the Older Americans Act must be distributed to the State’s 12 local county Area Agencies on Aging (AAA’s) through an approved funding formula. The Division is also responsible for the protection of abused, neglected and exploited adults and elderly, through the Adult Protective Services (APS) program.

Financial Summary

For FY 2005, the Fiscal Analyst recommends an appropriation for DAAS totaling \$20.8 million, including \$11.5 million from the General Fund. The Analyst’s recommendation includes the transfer of 0.25 FTE and \$9,700 (\$5,000 General Fund) to the Executive Director’s Office for the Human Resources staff consolidation.

	Analyst FY 2005 Base	Analyst FY 2005 Changes	Analyst FY 2005 Total
Financing			
General Fund	\$11,516,900	(\$5,000)	\$11,511,900
Federal Funds	8,875,000	(4,700)	8,870,300
Dedicated Credits Revenue	52,500		52,500
Transfers-H-Medical Assistance	337,000		337,000
Total	\$20,781,400	(\$9,700)	\$20,771,700
Programs			
Administration	\$1,363,700	(\$9,700)	\$1,354,000
Local Government Grants	13,953,100		13,953,100
Non-Formula Funds	2,472,100		2,472,100
Adult Protective Services	2,992,500		2,992,500
Total	\$20,781,400	(\$9,700)	\$20,771,700
FTE/Other			
Total FTE	65.5	(0.3)	65.3
Vehicles	9	0	9

2.0 Issues: Division of Aging and Adult Services

2.1 Previous Budget Reductions

Compared with the original FY 2002 appropriation (including one-time funds), the DAAS budget for FY 2004 has seen its General Fund reduced by approximately \$1.8 million in administrative and program reductions. This is about 13 percent below the original FY 2002 appropriated budget. However, \$600,000 of that amount was replaced by redirected Social Services block grant funds. Service reductions included elimination of adult day care. Due to increased federal funding, the total FY 2004 appropriated budget (all funds) is only down by about \$600,000 from the original FY 2002 appropriation. See Additional Information Section 4.1 in this report for a five year budget history.

2.2 “Out and About Transportation Assistance Fund”

In the 2002 General Session, the Legislature created a voluntary \$1 check-off on driver license applications and renewals and a special revenue fund known as the “Out and About” Homebound Transportation Assistance Fund. The purpose of the Fund is to provide public transportation for seniors or people with disabilities. DAAS administers the distribution of the funds and makes rules. Of the approximately \$35,500 collected so far, about \$20,200 is available for distribution. No distribution has yet been made.

2.3 Legislative Intent Language

NONE

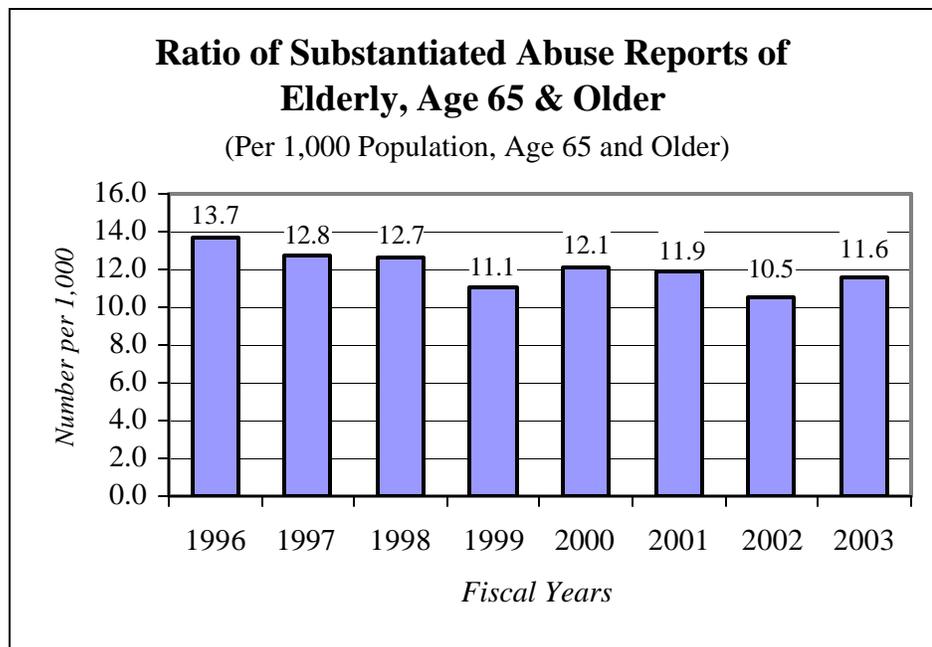
3.0 Programs: Division of Aging and Adult Services

Performance Measures

While the Division will report in more detail on performance and outcome measures, the Analyst has chosen several measures to highlight in this report. These measures are taken from the Department’s Outcome Measures publication and information provided by the Division.

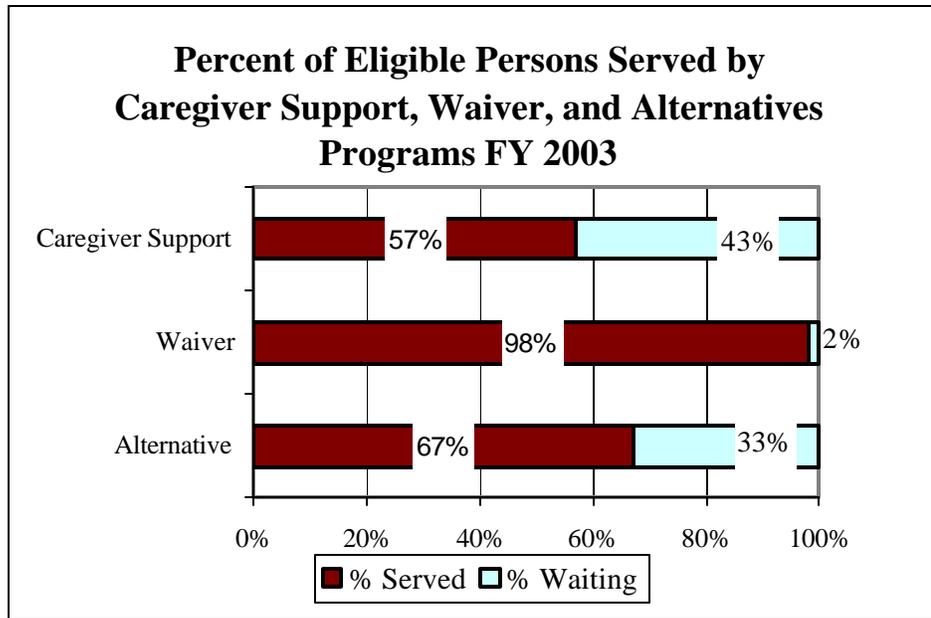
Rate of Reported Elderly Abuse

The first chart shows the rate of reported abuse, neglect and exploitation of elderly adults, aged 65 and older. The rate, per 1,000 elderly adults, is affected by many dynamics such as public awareness and economic situations. It may also reflect the impact of the efforts of Adult Protective Services to educate the general public, financial institutions, facilities serving the elderly, law enforcement and health professionals. Adult Protective Services provided training to over 9,500 individuals last year.



Percent of Elderly Served and Waiting for Alternative Services

The second chart shows the percentage of eligible clients receiving services in three programs as of June 30, 2003: 1) the state-funded Alternatives Program and 2) the Waiver Program, both of which provide services to enable individuals to remain in their homes; and 3) the Family Caregiver Support Program which gives the primary care giver rest or relief enabling the caregiver to continue care. The Chart shows that approximately 98 percent of those eligible for the Waiver program and 67 percent of those eligible for the Alternatives program are receiving services. However, there are still about 917 people waiting for services under both programs. Of the 514 individuals eligible for respite care services, only 57 percent, or 294 people, are currently being served.



**“Out and About”
Homebound
Transportation
Assistance Fund**

The Legislature, in the 2002 General Session, passed HB 310, “Mobility Assistance Fund.” This legislation created a voluntary \$1 check-off on driver license applications and renewals. It also created a special revenue fund known as the “Out and About” Homebound Transportation Assistance Fund which receives these check-off funds, as well as private contributions, donations, grants and interest earned on the fund. The purpose of the Fund is to provide public transportation for seniors or people with disabilities. The Division of Aging and Adult Services administers the distribution of the funds and makes rules (in accordance with the Utah Rulemaking Act). The legislation also directed DAAS to make an annual report on the Fund to the Health and Human Services Appropriations Subcommittee.

First Report on the “Out and About” Fund: No contracts awarded yet.

The Division of Aging and Adult Services provided a brief report to the Office of Legislative Fiscal on November 19, 2003. That report is quoted below:

“As of October 2003, the Division of Drivers’ License with the Department of Public Safety has collected \$36,540 for FY 2003 and part of FY 2004. The Driver’s License Division has retained \$2,173 for administrative purposes and \$14,384 as a partial payment for programming costs in setting up the check-off process (total programming contract to be reimbursed from collections is \$40,000). The Division of Aging and Adult Services has received \$19,983.75. This money has been deposited in the Public Treasurer’s Investment Fund. Interest of \$184.56 has been accrued in the account. The total amount in the Fund available for distribution is \$20,168.13.

“When the State Board on Aging and Adult Services adopted the rules for the program, it included the following provision:

Section R510-105-6

The Board reserves the right to decline to award any contracts during any fiscal year in which it deems that insufficient funds are available to reasonably fund a viable contract.

“The Board decided that in FY 2003 there were insufficient funds to award any contracts. As of October 2003, the Board feels there are still insufficient funds to award any contracts.”

3.1 DAAS Administration

Recommendation

The Fiscal Analyst recommends an FY 2005 budget for DAAS Administration totaling \$1,354,000 including \$556,000 from the General Fund. The Analyst’s recommendation includes the transfer of 0.25 FTE and \$9,700 (\$5,000 General Fund) to the Executive Director’s Human Resource Office as part of the human resource staff consolidation.

	2003	2004	2005	Est/Analyst
	Actual	Estimated*	Analyst	Difference
Financing				
General Fund	\$588,300	\$561,000	\$556,000	(\$5,000)
General Fund, One-time		1,700		(1,700)
Federal Funds	649,904	831,100	704,900	(126,200)
Dedicated Credits Revenue	12,915	17,100		(17,100)
Transfers-H-Medical Assistance	89,467	93,500	93,100	(400)
Lapsing Balance	(62)			
Total	<u>\$1,340,524</u>	<u>\$1,504,400</u>	<u>\$1,354,000</u>	<u>(\$150,400)</u>
Expenditures				
Personal Services	\$1,134,493	\$1,149,800	\$1,136,400	(\$13,400)
In-State Travel	22,437	24,100	24,100	
Out of State Travel	4,255	8,300	8,300	
Current Expense	130,238	142,200	129,200	(13,000)
DP Current Expense	49,101	180,000	56,000	(124,000)
Total	<u>\$1,340,524</u>	<u>\$1,504,400</u>	<u>\$1,354,000</u>	<u>(\$150,400)</u>
FTE/Other				
Total FTE	18.5	18.2	18.2	0.0

*Non-state funds as estimated by agency

Purpose

The State DAAS Administrative Office develops and monitors programs for older citizens. The Office is responsible for the implementation of the Older American's Act and related State programs. It receives federal funds, distributes them to local agencies, and provides required oversight, technical assistance, training, data collection, reporting and monitoring. The Office contracts with local “Area Agencies on Aging” (AAAs) for delivery of services. It also administers the Medicaid Home and Community-based Waiver, State Alternatives/Caregiver Respite programs, Adult Protective Services, and the Ombudsman Program.

3.2 Local Government Grants – Formula Funds

Recommendation The Fiscal Analyst recommends an FY 2005 budget for this program totaling nearly \$14.0 million, including \$7.6 million from the General Fund.

	2003	2004	2005	Est/Analyst
	Actual	Estimated*	Analyst	Difference
Financing				
General Fund	\$7,416,700	\$7,589,900	\$7,589,900	\$0
Federal Funds	6,185,124	6,363,200	6,363,200	
Beginning Nonlapsing	25,000			
Total	<u>\$13,626,824</u>	<u>\$13,953,100</u>	<u>\$13,953,100</u>	<u>\$0</u>
Expenditures				
Current Expense	\$7,097	\$1,600	\$1,600	\$0
Other Charges/Pass Thru	13,619,727	13,951,500	13,951,500	
Total	<u>\$13,626,824</u>	<u>\$13,953,100</u>	<u>\$13,953,100</u>	<u>\$0</u>
FTE/Other				

*Non-state funds as estimated by agency

Purpose

Programs funded through the Older Americans Act must be distributed to Area Agencies on Aging (AAAs) through an approved funding formula. In Utah, there are twelve AAAs (local government units) under contract with the State Division. Five counties are separate service providers (Salt Lake, Davis, Tooele, San Juan and Uintah Counties). One provider is a cooperative venture between Weber and Morgan Counties. The other six providers are associations of governments:

- Mountainland (Utah, Summit, Wasatch)
- Five County Assoc. (Kane, Iron, Washington, Garfield, Beaver)
- Six County Assoc. (Juab, Millard, Sevier, Wayne, Piute, Sanpete)
- Southeast Assoc. (Carbon, Emery, Grand)
- Uintah Basin (Daggett, Duchesne)
- Bear River Assoc. (Cache, Box Elder, Rich)

Grants are distributed by formulas developed by the State Board of Aging and Adult Services. The Board has developed separate formulas for the distribution of Older American Act Funds, General Fund appropriated for In-Home Services, and funds for the Ombudsman Program. Some of the services and programs operated by the AAAs are listed below.

- ▶ *Support Services:* This includes outreach, transportation, friendly visitor, telephone reassurance services and other services designed to provide support to individuals in their own homes. For FY 2003, there were about 922,500 units of service provided.

- ▶ *Nutrition:* The Area Agencies on Aging provide both group (congregate) and home delivered meals. Approximately 33,000 people participate in the meals program. Recipients contribute approximately 25 percent of the cost of the meals. Many rural communities do not have meal programs available. Most existing programs have waiting lists for home delivered meals.
- ▶ *Cash In-lieu of Commodities:* During FY 2003, Congress transferred the Nutrition Services Incentive Program from the Department of Agriculture to the Administration on Aging. This grant reimburses nutrition providers for a portion of the cost of food.
- ▶ *Elder Abuse Prevention:* Abuse prevention consists of a public relations campaign promoting awareness and the need of reporting abuse, neglect and exploitation of the elderly.
- ▶ *Preventive Health:* Preventive Health is an outreach and educational program designed to promote healthy life styles among the elderly.
- ▶ *Long Term Care Ombudsman:* An Ombudsman program is established in Section 62A-3-201 (UCA 1953) to assist the elderly in “asserting their civil and human rights as patients, residents, and clients of long-term care facilities” There are currently 10 FTEs distributed state wide in the AAAs to handle investigations. There are also 22 volunteers who serve as ombudsmen. The Ombudsman program handled about 4,500 complaints in FY 2003, an increase of over 900 from FY 2000.
- ▶ *Caregiver Support Program:* The caregiver support program is a State and federally funded program designed to provide assistance to caregivers of adults suffering from long-term chronic illness. Support services aimed at reducing stress associated with care giving include counseling, training, organized support groups, respite care and other limited supplemental services. During FY2003, the program provided support to 294 caregivers.
- ▶ *Home and Community-based Alternatives:* This program makes available a wide variety of in-home services, personal care, home health aides, respite, day care, transportation, etc. Clients must meet income and eligibility guidelines to receive services and fees are assessed based on ability to pay. During 2003, 1,803 Utah seniors received services under this program that enabled them to remain in their own homes.

3.3 Non-formula Funds

Recommendation

The Fiscal Analyst recommends an FY 2005 budget for this program totaling approximately \$2.5million, including \$1.2 million from the General Fund.

	2003	2004	2005	Est/Analyst
	Actual	Estimated*	Analyst	Difference
Financing				
General Fund	\$1,229,692	\$1,246,200	\$1,246,200	\$0
Federal Funds	690,751	963,800	932,000	(31,800)
Dedicated Credits Revenue	19,804	23,200	50,000	26,800
Transfers-H-Medical Assistance	243,866	243,900	243,900	
Lapsing Balance	(117,152)			
Total	<u>\$2,066,960</u>	<u>\$2,477,100</u>	<u>\$2,472,100</u>	<u>(\$5,000)</u>
Expenditures				
Other Charges/Pass Thru	\$2,066,960	\$2,477,100	\$2,472,100	(\$5,000)
Total	<u>\$2,066,960</u>	<u>\$2,477,100</u>	<u>\$2,472,100</u>	<u>(\$5,000)</u>
FTE/Other				

*Non-state funds as estimated by agency

Purpose

The Division administers programs that have different funding sources and which do not use the Title III Older American Act funding formula. Each program has its own funds distribution method for the Area Agencies and other subcontractors. These programs include:

- ▶ *National Senior Services Corps*: This is a federally funded program to provide volunteer opportunities for senior citizens, including socialization for homebound seniors or in nursing homes, tutoring school children, working with juvenile offenders, and staffing service agencies. The State office provides funds to assist volunteers with their transportation costs.
- ▶ *Health Insurance Information Program*: This federal program operates in every county in Utah and assists seniors in understanding the complexities of the Medicare/Medicaid and supplemental insurance programs. During FY2003, this program received 5,404 requests for information.
- ▶ *Employment Services*: This federally funded program subsidizes part-time employment and training for low-income seniors. Last year, this program served 223 elderly citizens.
- ▶ *Advocacy Information*: The Division provides information for inclusion into newsletters specifically targeted to the senior population, such as the federally funded magazine entitled “Utah Spirit.” These publications provide information on available services and senior issues.
- ▶ *Home and Community Based Waiver*: This waiver program permits Medicaid funding for services to the elderly in non-institutional settings. These services often allow seniors to maintain their independence and postpone the need for an institutional placement. Medicaid restricts the cost of services to not exceed the cost of nursing homes. Currently, this program serves about 625 Utahns enabling them to continue residing in their own homes.

3.4-Adult Protective Services

Recommendation

The Fiscal Analyst recommends an FY 2005 budget for the Adult Protective Services program totaling nearly \$3.0 million, including \$2.1 million from the General Fund.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
General Fund	\$2,285,408	\$2,119,800	\$2,119,800	\$0
General Fund, One-time		7,300		(7,300)
Federal Funds	758,000	994,200	870,200	(124,000)
Dedicated Credits Revenue	2,450	2,500	2,500	
Total	\$3,045,858	\$3,123,800	\$2,992,500	(\$131,300)
Expenditures				
Personal Services	\$2,450,964	\$2,476,500	\$2,468,500	(\$8,000)
In-State Travel	41,180	43,400	43,400	
Out of State Travel	593	700	700	
Current Expense	271,062	355,800	356,500	700
DP Current Expense	238,815	216,400	92,400	(124,000)
Other Charges/Pass Thru	43,244	31,000	31,000	
Total	\$3,045,858	\$3,123,800	\$2,992,500	(\$131,300)
FTE/Other				
Total FTE	46	47	47	0
Vehicles	9	9	9	0

*Non-state funds as estimated by agency

Purpose

Adult Protective Services (APS) is both a State and federally mandated program to protect vulnerable and elderly adults, age 18 and over, from abuse, neglect and exploitation. The State has a mandatory reporting law requiring all citizens to report suspected cases of abuse, neglect and exploitation. APS investigates these referrals and takes action to protect the individual from further harm. Victims are referred to other agencies for services. APS also provides protective payee services on a voluntary basis to clients who cannot manage their funds without assistance. There are currently about 27 individuals receiving payee services. Funding for adult foster care and adult day care placements was eliminated in the 2002 legislative sessions as part of the budget cut process.

4.0 Additional Information: Division of Aging and Adult Services

4.1 Funding History

	2001	2002	2003	2004	2005
Financing	Actual	Actual	Actual	Estimated*	Analyst
General Fund	\$11,621,400	\$12,151,185	\$11,520,100	\$11,516,900	\$11,511,900
General Fund, One-time				9,000	
Federal Funds	6,771,807	7,079,287	8,283,779	9,152,300	8,870,300
Dedicated Credits Revenue	54,382	104,448	35,169	42,800	52,500
Transfers-H-Medical Assistance	314,066	300,261	333,332	337,400	337,000
Transfers-Other Agencies		64,170			
Beginning Nonlapsing		344,394	25,000		
Closing Nonlapsing	(344,394)	(25,000)			
Lapsing Balance		(32,745)	(117,214)		
Total	\$18,417,261	\$19,986,000	\$20,080,166	\$21,058,400	\$20,771,700
Programs					
Administration	\$1,311,402	\$1,397,100	\$1,340,524	\$1,504,400	\$1,354,000
Local Government Grants	12,121,695	13,594,600	13,626,824	13,953,100	13,953,100
Non-Formula Funds	1,986,443	1,975,200	2,066,960	2,477,100	2,472,100
Adult Protective Services	2,997,721	3,019,100	3,045,858	3,123,800	2,992,500
Total	\$18,417,261	\$19,986,000	\$20,080,166	\$21,058,400	\$20,771,700
Expenditures					
Personal Services	\$3,435,894	\$3,531,540	\$3,585,457	\$3,626,300	\$3,604,900
In-State Travel	66,155	63,068	63,617	67,500	67,500
Out of State Travel	12,503	8,136	4,849	9,000	9,000
Current Expense	439,718	434,243	408,397	499,600	487,300
DP Current Expense	232,855	262,871	287,916	396,400	148,400
Other Charges/Pass Thru	14,230,136	15,686,142	15,729,931	16,459,600	16,454,600
Total	\$18,417,261	\$19,986,000	\$20,080,166	\$21,058,400	\$20,771,700
FTE/Other					
Total FTE	64.1	63.9	64.5	65.3	65.3
Vehicles	5	7	9	9	9

*Non-state funds as estimated by agency.

4.2-Federal Funds

Program	FY 2002 Actual	FY 2003 Authorized	FY 2004 Analyst
Title XX Soc. Svc Block Grant	\$849,200	\$1,209,400	\$961,400
General Funds	0	0	0
Totals for this grant/contract	\$849,200	\$1,209,400	\$961,400
Title IIIC1 Congebrate Meals	\$1,802,569	\$1,811,471	\$1,811,471
General Funds *	443,607	462,358	461,357
Totals for this grant/contract	\$2,246,176	\$2,273,829	\$2,272,828
Title IIIB Support Svc	\$1,788,789	\$1,836,188	\$1,831,488
General Funds *	1,471,585	1,432,042	1,429,896
Totals for this grant/contract	\$3,260,374	\$3,268,230	\$3,261,384
Title IIIE Nat'l Fam Caregiver Support Program	\$731,767	\$803,591	\$803,591
General Funds *	501,993	502,387	501,427
Totals for this grant/contract	\$1,233,760	\$1,305,978	\$1,305,018
Title V Sr Community Svc Employment Prog **	\$641,760	\$599,900	\$599,900
General Funds * (MOE on Admin. Costs)	12,717	4,700	4,600
Totals for this grant/contract	\$654,477	\$604,600	\$604,500
Title IIIC Home Meals	\$1,058,861	\$1,043,150	\$1,043,150
General Funds *	1,564,045	1,599,146	1,598,924
Totals for this grant/contract	\$2,622,906	\$2,642,296	\$2,642,074
Cash in lieu of Commodities	\$1,128,298	\$1,151,800	\$1,151,800
General Funds	0	0	0
Totals for this grant/contract	\$1,128,298	\$1,151,800	\$1,151,800
Title IIID Preventative Health	\$91,464	\$146,800	\$115,000
General Funds *	0	3,800	3,800
Totals for this grant/contract	\$91,464	\$150,600	\$118,800
Health Insurance Information Program	\$119,353	\$152,900	\$155,400
General Funds	0	0	0
Totals for this grant/contract	\$119,353	\$152,900	\$155,400
Title VII Elder Abuse Prevention	\$24,296	\$27,700	\$27,700
General Funds	0	20,100	20,100
Totals for this grant/contract	\$24,296	\$47,800	\$47,800
Title VII Ombudsman	\$47,423	\$81,300	\$81,300
General Funds *	165,059	163,667	163,296
Totals for this grant/contract	\$212,482	\$244,967	\$244,596
Alheimers Disease Grants	\$0	\$288,100	\$288,100
General Funds	0	0	0
Totals for this grant/contract	\$0	\$288,100	\$288,100
Total Federal Funds	\$8,283,780	\$9,152,300	\$8,870,300
Total State Funds	4,159,006	4,188,200	4,183,400
Total Funds	\$12,442,786	\$13,340,500	\$13,053,700

* State Match Required Maintenance of Effort (MOE)

** Some of match by Local Authorities

4.3 Future Impact of Current Federal Fund Decisions

The future of the Social Services Block Grant (SSBG) is uncertain. It has been reduced significantly over the past few years, and may be reduced in future years. The current Congress has not yet decided on the amount to appropriate. About 29 percent of the Adult Protective Services budget is funded from the SSBG.