

Office of the
Legislative Fiscal Analyst

FY 2002 Budget Recommendations

Joint Appropriations Subcommittee for
Health and Human Services

Utah Department of Human Services
Aging and Adult Services

Contents:

- 1.0 Summary
- 2.0 Issues
- 3.0 Programs
- 4.0 Additional Information

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. It advocates for the elderly, contracts for services, and administers State and federal programs for the elderly. The Division is also responsible for the protection of abused, neglected and exploited adults and elderly. Programs funded through the Older Americans Act must be distributed to the State’s 12 local Area Agencies on Aging (AAA’s) through an approved funding formula..

Summary

For FY 2002, the Fiscal Analyst recommends an appropriation for DAAS totaling approximately \$18.8 million, including \$11.5 million from the General Fund. This recommendation includes a reduction of \$55,000 (\$47,500 General Fund) for the reduced State retirement rate and a reduction of \$1,400 (\$1,100 General Fund) for changes in the State’s Internal Service Funds user rates.

	Analyst FY 2002 Base	Analyst FY 2002 Changes	Analyst FY 2002 Total
Financing			
General Fund	11,475,300		11,475,300
Federal Funds	7,072,700		7,072,700
Dedicated Credits Revenue	10,100		10,100
Transfers - H - Medical Assistance	220,600		220,600
Total	\$18,778,700	\$0	\$18,778,700
Programs			
Administration	1,267,500		1,267,500
Local Government Grants	12,510,600		12,510,600
Non-Formula Funds	1,985,200		1,985,200
Adult Protective Services	3,015,400		3,015,400
Total	\$18,778,700	\$0	\$18,778,700
FTE/Other			
Total FTE	65		65
Vehicles	9		9

2.0 Issues: Division of Aging and Adult Services

2.1-Federal Funding Reduction

The Federal Medical Assistance Percentage (FMAP) match rate for FY 2002 is changing from 71.47 percent to 70.36 percent. To maintain the current level of funding, DAAS is requesting the State increase its match by \$32,900 in State General Funds. Congress has reduced the Social Services Block Grant (SSBG) over the last few years. This has impacted the DAAS adult day care and foster care services in its Adult Protective Services Program, by \$177,000. If funds become available, the Fiscal Analyst recommends that these losses of federal funds be replaced with State funds in FY 2002.

2.2-In-home Services Waiting List

In-home services programs provide alternatives to nursing home care. The local AAAs report 1,228 eligible individuals in need of services on active waiting lists. Of a total estimated cost of \$3.2 million, the Analyst recommends an increased appropriation of \$600,000 for FY 2002, if funds become available.

2.3 Adult Protective Services Needs

Adult Protective Services (APS) referrals have increased significantly in many areas of the State. The Division is requesting funding for two additional APS investigators in the northern and central areas of the State, at a cost of \$105,000 (General Fund), where cases of elder abuse referrals have increase between 34 and 89 percent in the last four years. If funds become available, the Fiscal Analyst recommends funding for one of these positions, at \$52,000 General Fund.

2.4 -Long-term Care Ombudsman Needs

The long-term care ombudsman program staff and volunteers regularly visit all licensed long-term care facilities, such as nursing homes and assisted living facilities. They also respond to complaints, which have increased nearly 400 percent since 1993. These complaints must be investigated within three working days. The Division is requesting \$201,800 (General Fund) for three new full-time ombudsmen, plus one-half FTE in the State Office for training, reporting and intake. Due to other funding priorities, the Fiscal Analyst has not recommended an increase for FY 2002 in this program.

2.5 Legislative Intent Language

The 2000 Legislature included the following intent language in the FY 2001 Second Supplemental Appropriations Act (H.B. 3):

*DAAS FY 2001
Appropriation
Nonlapsing*

“It is the intent of the Legislature that monies appropriated to the Division of Aging and Adult Services in Senate Bill 1 Annual Appropriations Act, 2000 General Session, be made non-lapsing. It is further the intent of the Legislature that these non-lapsing monies be used for transportation of meals and for senior transportation.”

This language was included at the end of the Session. It was actually intended to apply to the FY 2000 appropriations to avoid lapsing funds last June. However, it was inadvertently applied to the 2001 fiscal year. Therefore, barring further legislative action, DAAS has non-lapsing authority for its FY 2001 budget. These non-lapsing funds may be used for various one-time transportation needs of the AAAs.

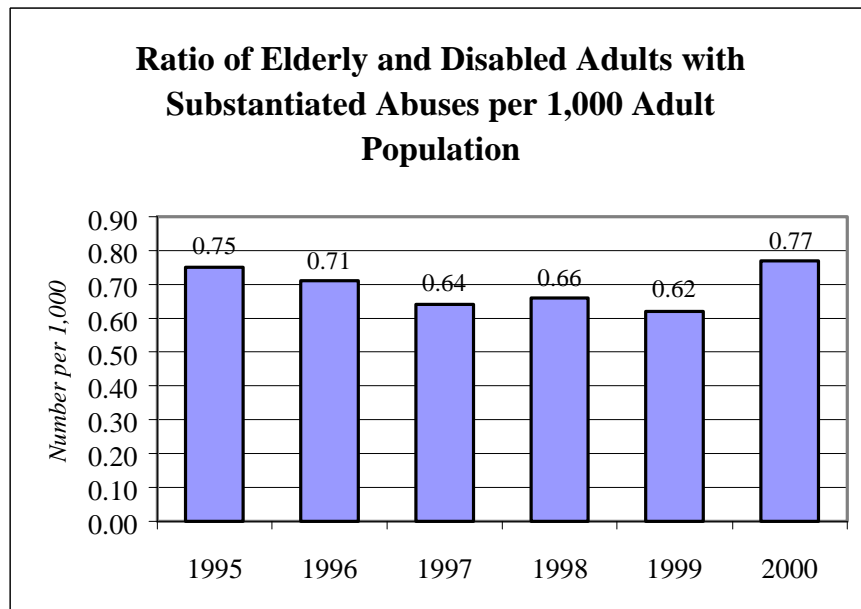
3.0 Programs: Division of Aging and Adult Services

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.

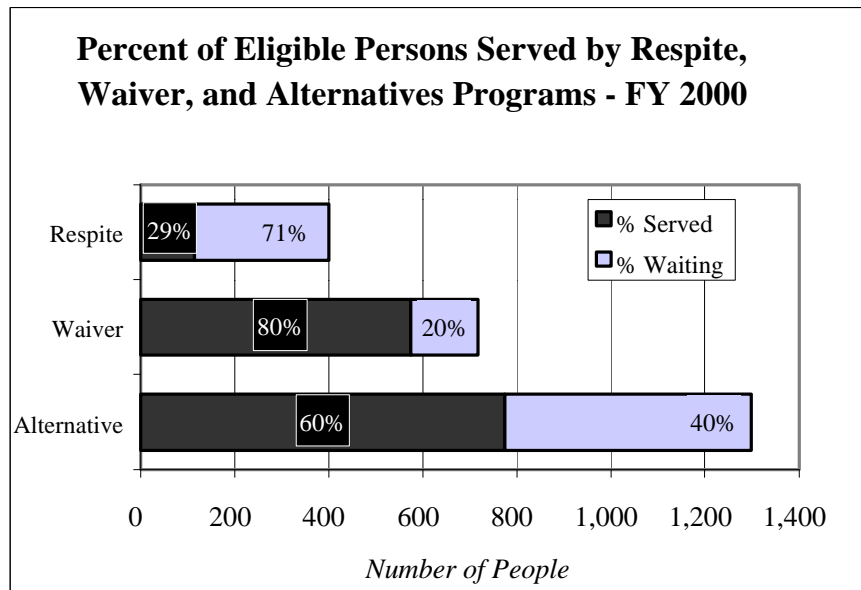
Rate of Reported Elderly Abuse

The first chart shows the rate of reported abuse of adults and elderly people with disabilities. The rate of abuse per 1,000 adult citizens is affected by many dynamics, including efforts by State and county Aging and Adult Services programs to educate the public about the nature of this problem. After five years of gradual declines, the rate took a jump last year with an increase of 200 reported incidents. There has been an increased effort in the last few years to educate the public about the problem and the need to report elder abuse. This includes programs for churches, civic groups and treatment facilities. It also includes an educational program for bank tellers to be aware and report to the bank's management elderly people making sudden and large withdrawal of their funds. The data system that tracks elder abuse has also been refined this past year. For these reasons, it is believed that the actual rate of elder abuse occurring in the State is not necessarily increasing, but the public awareness and reporting methods have improved.



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, 2000: 1) the state-funded Alternatives Program and 2) the Waiver Program, both of which provide services to enable individuals to remain home; and 3) the Respite Care Program which gives the primary care giver rest or relief enabling the caregiver to continue as the primary source of care. The Chart shows that approximately 80 percent of those eligible for the Waiver program and 60 percent of those eligible for the Alternatives program are receiving services. However, there are still nearly 700 people waiting for services under both programs. Of the 400 individuals eligible for respite care, only 29 percent, or 115 people, are currently being served.



3.1 DAAS Administration

Recommendation The Fiscal Analyst recommends an FY 2002 budget for DAAS Administration totaling approximately \$1.3 million, including \$686,400 from the General Fund.

	2000	2001	2002	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	732,158	693,700	686,400	(7,300)
Federal Funds	439,614	507,700	501,000	(6,700)
Dedicated Credits Revenue	4,433	48,700	100	(48,600)
Transfers - H - Medical Assistance	51,304	81,100	80,000	(1,100)
Beginning Nonlapsing	56,165			
Total	<u>\$1,283,674</u>	<u>\$1,331,200</u>	<u>\$1,267,500</u>	<u>(\$63,700)</u>
Expenditures				
Personal Services	987,624	1,076,000	1,059,600	(16,400)
In-State Travel	23,068	23,400	23,400	
Out of State Travel	10,721	10,700	10,700	
Current Expense	191,196	173,000	125,700	(47,300)
DP Current Expense	71,065	48,100	48,100	
Total	<u>\$1,283,674</u>	<u>\$1,331,200</u>	<u>\$1,267,500</u>	<u>(\$63,700)</u>
FTE/Other				
Total FTE	17	18	18	0

Purpose The State Office develops and monitors programs for older citizens. The Office is responsible for the implementation of the Older American's Act. It receives federal funds, distributes them to local agencies, and provides required oversight, technical assistance, training, data collection and monitoring. The Office contracts with local Area Agencies on Aging (AAAs) for the delivery of most services. The office 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 Analyst recommends that \$12.5 million, including \$6.9 million from the General Fund, be appropriated for distribution to local AAAs under this program in FY 2002.

	2000	2001	2002	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	6,619,061	6,876,700	6,876,700	
Federal Funds	5,079,159	5,633,900	5,633,900	
Beginning Nonlapsing	28,917			
Total	<u>\$11,727,137</u>	<u>\$12,510,600</u>	<u>\$12,510,600</u>	<u>\$0</u>
Expenditures				
Other Charges/Pass Thru	11,727,137	12,510,600	12,510,600	
Total	<u>\$11,727,137</u>	<u>\$12,510,600</u>	<u>\$12,510,600</u>	<u>\$0</u>
FTE/Other				

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)

Local formula grants are distributed on the basis of 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 2000, there were 400,000 units of service provided.

- ▶ *Nutrition:* The Area Agencies on Aging provide both group (congregate) and home delivered meals. Approximately 32,000 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:* This is a federal Department of Agriculture grant that 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-3-201UCA 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 6.7 FTEs distributed state wide to the AAAs to handle investigations. There are also over 23 volunteers who serve as ombudsmen. They serve residents of nursing homes, residential facilities and adult foster care homes. The Ombudsman program handled 3,576 complaints in FY 2000, a 400 percent increase from 1993.
- ▶ *Respite Care:* This program provides intermittent relief to care givers of adults suffering chronic long-term illnesses. During FY 2000, the program provided support to 223 care givers.
- ▶ *Home and Community-based Alternatives:* This program makes available a wide variety of in-home services, personal care, home health aides, respite, home delivered meals, day care, transportation, etc. Clients must meet income and eligibility guidelines to receive services and fees are assessed based on ability to pay. During 2000, more than 1,200 Utah seniors received services under this program that enabled them to remain in their own homes.

**In-home Services
Waiting List
Funding**

The in-home services programs provide assistance to individuals 60 or older with daily activities to remain independent and either postpone or eliminate need for staying in a nursing home. These programs include: 1) the Home and Community Based Medicaid Waiver Program, 2) the state funded Alternatives Program, 3) the state funded Caregiver Respite Program, and 4) the Home Delivered Meals Program. The local AAAs report that there are 1,228 eligible individuals on their active waiting lists in need of services. The total cost to provide services to these people is approximately \$3.2 million. If funds become available, the Fiscal Analyst recommends that the Legislature provide an additional \$600,000 General Fund for FY 2002 to address this need. Depending on the type of services funded, there could be significant federal funds participation.

3.3 Non-formula Funds

Recommendation

The Analyst recommends that just under \$2 million be appropriated for this program in FY 2002, including \$1.2 million from the General Fund.

	2000	2001	2002	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	1,108,020	1,181,800	1,181,800	
General Fund, One-time		100,000		(100,000)
Federal Funds	616,056	662,800	662,800	
Transfers - H - Medical Assistance	212,119	140,600	140,600	
Beginning Nonlapsing	10,000			
Total	<u>\$1,946,195</u>	<u>\$2,085,200</u>	<u>\$1,985,200</u>	<u>(\$100,000)</u>
Expenditures				
Current Expense	3,433	32,000	32,000	
Other Charges/Pass Thru	1,942,762	2,053,200	1,953,200	(100,000)
Total	<u>\$1,946,195</u>	<u>\$2,085,200</u>	<u>\$1,985,200</u>	<u>(\$100,000)</u>
FTE/Other				

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 program operates in every county in Utah and assists seniors in understanding the complexities of the Medicare/Medicaid and supplemental insurance programs. During FY2000, this program received over 14,000 requests for information.

- ▶ *Employment Services:* This federally funded program subsidizes part-time employment and training for low-income seniors. Last year, this program served 152 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. Medicaid restricts the cost of services to not exceed the cost of nursing homes. Currently, this program serves about 780 Utahns enabling them to continue residing in their own homes.

**One-time
Appropriation for
Senior Citizens
Centers**

Last year, the Legislature appropriated \$100,000 from the General Fund (FY 2001) for repairs and renovations of senior citizen centers around the State. The State Board for Aging and Adult Services distributes these one-time funds on an RFP basis. As the funds are one-time in nature, they have been deleted from the FY 2002 base budget.

3.4-Adult Protective Services

Recommendation For FY 2002, the Fiscal Analyst recommends a budget totaling just over \$3 million, including \$2.7 million from the General Fund.

	2000	2001	2002	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	2,725,161	2,771,700	2,730,400	(41,300)
Federal Funds	258,600	277,000	275,000	(2,000)
Dedicated Credits Revenue	2,357	10,000	10,000	
Beginning Nonlapsing	126,000			
Lapsing Balance	(139)			
Total	\$3,111,979	\$3,058,700	\$3,015,400	(\$43,300)
Expenditures				
Personal Services	2,289,724	2,400,500	2,361,900	(38,600)
In-State Travel	40,186	37,900	37,900	
Out of State Travel	5,721	7,700	5,700	(2,000)
Current Expense	281,614	266,100	263,400	(2,700)
DP Current Expense	264,478	77,700	77,700	
Other Charges/Pass Thru	230,256	268,800	268,800	
Total	\$3,111,979	\$3,058,700	\$3,015,400	(\$43,300)
FTE/Other				
Total FTE	47	47	47	
Vehicles		9	9	

Purpose

Adult Protective Services (APS) is both a State and federally mandated program to protect disabled 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. APS investigates these referrals and takes action to protect the individual from further harm. Most clients are referred to other agencies for services, but APS has funding to provide a limited number of Adult Foster Care and Adult Day Care placements. APS also provides protective payee services on a voluntary basis to clients who cannot manage their funds without assistance. For clients found incompetent by the courts and who have no one else to serve as their guardian, the Office of Public Guardian may be appointed as their guardian. In addition to its investigative role, APS services include:

- ▶ *Adult Day Care:* This program provides a safe place for families to place their relatives during the day. Day Care is especially important for individuals (and their families) suffering from Alzheimer and other diseases. In 2000, this program served 41 residents of Utah.
- ▶ *Adult Foster Care:* In 2000, 18 people were provided Adult Foster Care services. This program provides family-based care for adults unable to live independently. The client can pay the provider directly for room and board, or the Division approves the foster home and pays them a service fee to cover the cost of supervision and care.

- ▶ *Protective Payee Services*: Individuals receiving these services are victims of abuse, neglect, or exploitation and lack the ability to manage their own incomes. They have payee services to assist them in learning to become self-sufficient. There are currently about 50 individuals receiving these services.

Adult Protective Services Investigator Needs

Adult Protective Services (APS) referrals have increased in central Utah's six-county area (Juab, Sanpete, Millard, Sevier, Piute, and Wayne Counties) and in Davis County. In the last four years, the six-county area has seen an 89 percent increase (from 70 to 127) and in Davis County, the number of referrals has increased by 34 percent (from 111 to 149). Projections indicate that, as the population grows in these areas, referrals will continue to grow. The Fiscal Analyst recommends that, if funds become available, this program receive an increase of \$52,000 General Fund for one additional APS investigator in FY 2002.

SSBG Reductions Have Impacted APS

Congress has reduced the Social Services Block Grant (SSBG) over the last few years. This has impacted the DAAS adult day care and foster care services in its Adult Protective Services Program by an estimated \$177,000. If funds become available, the Fiscal Analyst recommends the Legislature replace these funds with State General Funds for the FY 2002 budget.

4.0 Additional Information: Division of Aging and Adult Services

4.1 Funding History

	1998	1999	2000	2001	2002
Financing	Actual	Actual	Actual	Estimated	Analyst
General Fund	9,937,600	10,740,100	11,184,400	11,523,900	11,475,300
General Fund, One-time				100,000	
Federal Funds	6,529,507	7,003,818	6,393,429	7,081,400	7,072,700
Dedicated Credits Revenue			6,790	58,700	10,100
Transfers - H - Medical Assistance	158,065	197,866	263,423	221,700	220,600
Beginning Nonlapsing	391,600	159,253	221,082		
Closing Nonlapsing	(159,253)	(221,082)			
Lapsing Balance		(485)	(139)		
Total	\$16,857,519	\$17,879,470	\$18,068,985	\$18,985,700	\$18,778,700
Programs					
Administration	1,035,682	1,132,016	1,283,674	1,331,200	1,267,500
Local Government Grants	11,419,940	11,753,524	11,727,137	12,510,600	12,510,600
Non-Formula Funds	1,495,955	1,637,257	1,946,195	2,085,200	1,985,200
Adult Protective Services	2,905,942	3,356,673	3,111,979	3,058,700	3,015,400
Total	\$16,857,519	\$17,879,470	\$18,068,985	\$18,985,700	\$18,778,700
Expenditures					
Personal Services	2,959,110	3,221,045	3,277,348	3,476,500	3,421,500
In-State Travel	51,856	65,887	63,254	61,300	61,300
Out of State Travel	13,730	18,384	16,442	18,400	16,400
Current Expense	447,972	399,509	476,243	471,100	421,100
DP Current Expense	298,613	512,986	335,543	125,800	125,800
Other Charges/Pass Thru	13,086,238	13,661,659	13,900,155	14,832,600	14,732,600
Total	\$16,857,519	\$17,879,470	\$18,068,985	\$18,985,700	\$18,778,700
FTE/Other					
Total FTE	64	67	64	65	65
Vehicles				9	9

4.2-Federal Funds

Program	FY 2000	FY 2001	FY 2002
	Actual	Authorized	Analyst
Title XX Soc. Svc Block Grant	\$231,600	\$277,000	\$275,000
General Funds	0	0	0
Totals for this grant/contract	\$231,600	\$277,000	\$275,000
Title IIIC1 Congebrate Meals*	\$1,788,203	\$1,783,000	\$1,779,300
General Funds	38,535	38,400	38,300
Totals for this grant/contract	\$1,826,738	\$1,821,400	\$1,817,600
Title IIIB Support Svc*	\$1,684,717	\$2,132,800	\$2,129,800
General Funds	48,984	62,000	61,900
Totals for this grant/contract	\$1,733,701	\$2,194,800	\$2,191,700
Title IIID Frail Elderly *	\$18,614	\$0	\$0
General Funds	0	0	0
Totals for this grant/contract	\$18,614	\$0	\$0
Title V SCSEP **	\$560,034	\$589,200	\$589,200
General Funds	0	0	0
Totals for this grant/contract	\$560,034	\$589,200	\$589,200
Title IIIC Home Meals *	\$814,758	\$727,900	\$727,900
General Funds	5,093	4,500	4,500
Totals for this grant/contract	\$819,851	\$732,400	\$732,400
Cash in lieu of Commodities	\$1,038,289	\$1,221,700	\$1,221,700
General Funds	0	0	0
Totals for this grant/contract	\$1,038,289	\$1,221,700	\$1,221,700
DOH&HS Grants	\$88,600	\$104,800	\$104,800
General Funds	0	0	0
Totals for this grant/contract	\$88,600	\$104,800	\$104,800
SSBG (TANF transfers)	\$27,000	\$27,000	\$27,000
General Funds	0	0	0
Totals for this grant/contract	\$27,000	\$27,000	\$27,000
Misc OHDS Grants	\$92,911	\$161,400	\$161,400
General Funds	0	0	0
Totals for this grant/contract	\$92,911	\$161,400	\$161,400
DHS PHS Grants	\$25,214	\$30,300	\$30,300
General Funds	0	0	0
Totals for this grant/contract	\$25,214	\$30,300	\$30,300
DHS Other Grants	\$23,489	\$26,300	\$26,300
General Funds	0	0	0
Totals for this grant/contract	\$23,489	\$26,300	\$26,300
Total Federal Funds	\$6,393,429	\$7,081,400	\$7,072,700
Total State Funds	\$92,612	\$104,900	\$104,700
Total Funds	\$6,486,041	\$7,186,300	\$7,177,400

* 25% match admin, 0% programs. Local Authorities must provide 15% match
 ** All match by Local Authorities

4.3 Future Impact of Current Federal Fund Decisions

The future of the Social Services Block Grant is uncertain. It has been reduced significantly over the past few years, and may be greatly reduced in future years. There was an attempt to reduce it by another 60 percent in the recent Congress.

The State has been transferring TANF (Temporary Assistance for Needy Families) “surplus” funds for the past few years. There is currently budgeted \$27,000 of these transfers in the DAAS budget, which is also included in the Analyst’s recommended FY 2002 budget. These funds are “one-time” in nature, and may not be available after FY 2002 when Congress reauthorizes the TANF program.