



Riding the Waves: The Trials and Tribulations of Getting California's First VDHCBS off of the Ground

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Self-Direction Overview

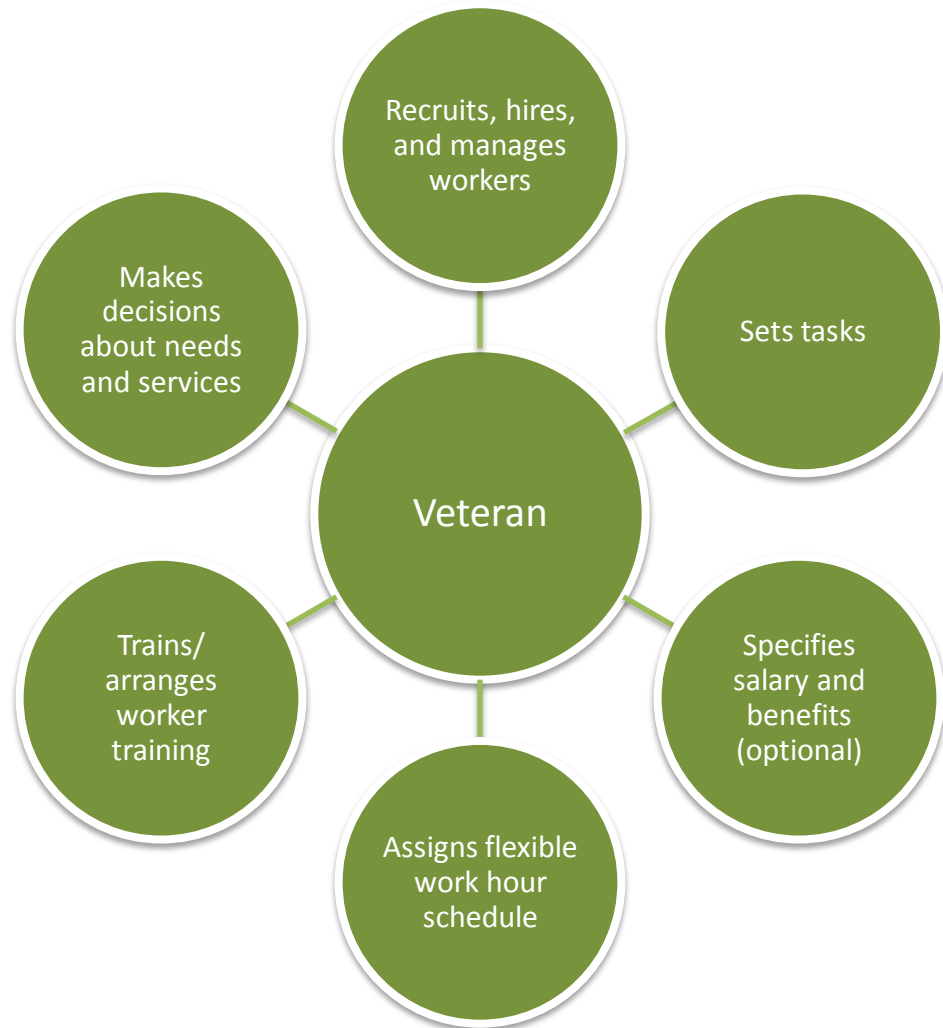


What is Self-Direction?

Traditional Services



Self-Directed Services



Cash & Counseling (C&C)

Demonstration and Evaluation

- ❑ The C&C model is the same model as VD-HCBS
- ❑ Demonstration included Arkansas, New Jersey, and Florida
- ❑ Over 6,500 people randomly assigned to either:
 - ❑ Manage their own authorized budget amount
 - ❑ Continue with traditional agency-based services
- ❑ All Veterans were assessed for level of service based on functional need

Why Self-Direction?

Comparative effectiveness research on
self-directed programs found:



Self-directing participants are up to 90% more likely to be very satisfied with how they lead their lives.



Self-directing participants have more positive health outcomes and significantly reduced personal care needs.



Caregivers of self-directing participants are very satisfied with overall care and report less physical stress and emotional strain.

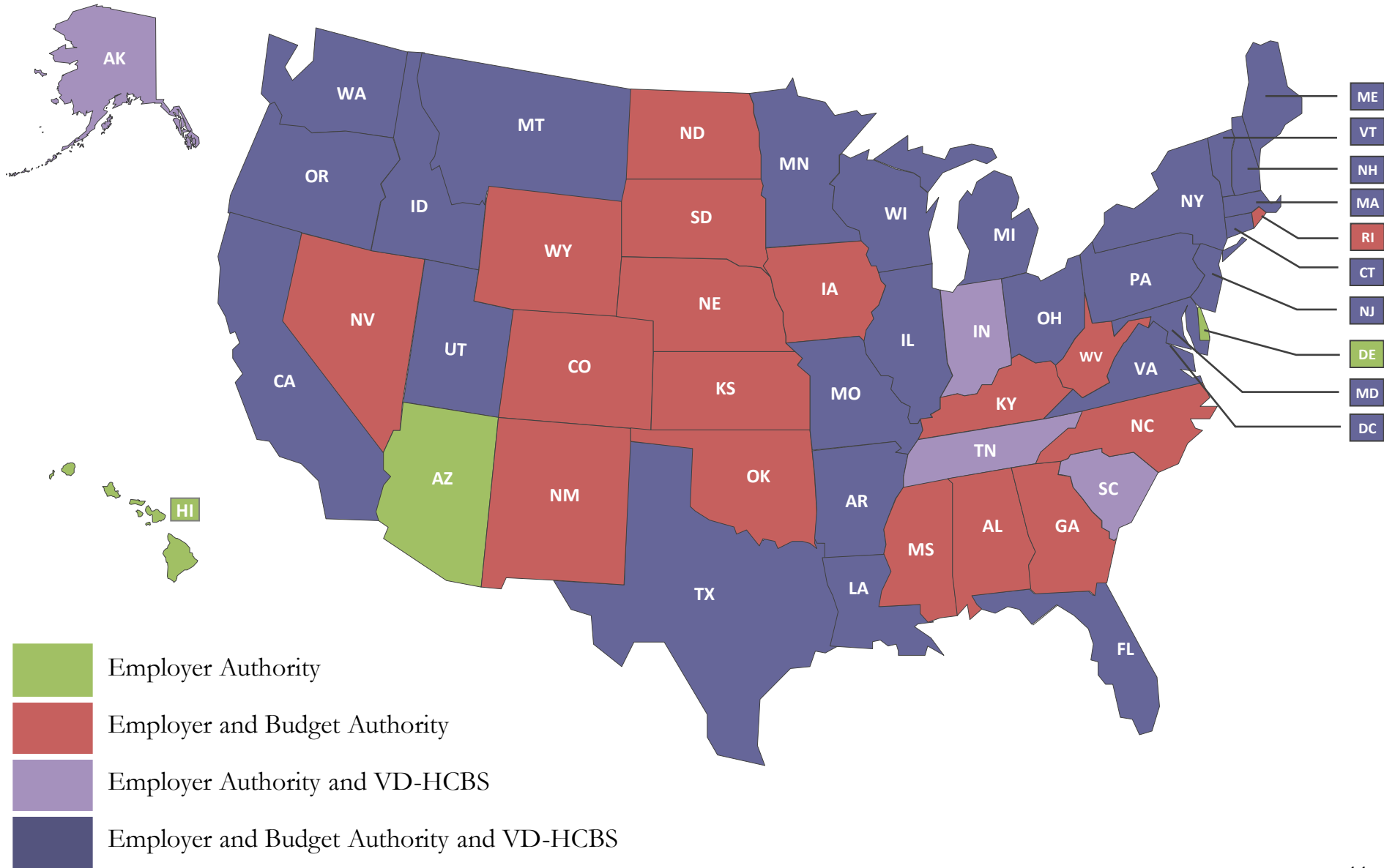


Self-direction does not increase incidence of fraud and abuse.



High-cost services are utilized less
when basic support services are provided.

Prevalence of Self-Direction



Effect on Total State Costs

- ❑ Short term costs were higher:
 - ❑ C&C participants used the services they were authorized
 - ❑ In many instances, people receiving traditional services were not receiving all the services they were authorized to receive
- ❑ Nursing facility use was 18% lower for treatment group than those using agency care during a 3 year follow-up evaluation in Arkansas*
- ❑ Investment in all home and community-based services (HCBS) results in long term savings
 - ❑ Doesn't reflect the 18% nursing facility reduction seen in self-direction **

* AR Department of Human Services. (2009). *IndependentChoices Final Report*. www.hcbs.org/moreInfo.php/doc/2549

**Kaye, HS, LaPlante, MP, and Harrington, C, "Do non-institutional long-term care services reduce Medicaid spending?", *Health Affairs* 28, no 1 (2009): 262-272

Veteran-Directed Home and Community-Based Services (VD-HCBS)

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VD-HCBS Program

- ❑ VD-HCBS serves Veterans of any age who are at risk of institutional placement.
- ❑ VD-HCBS is offered through a partnership between the Veterans Health Administration (VHA) and the Administration for Community Living (ACL).
- ❑ Veteran Affairs Medical Centers (VAMCs) purchase these services on behalf of Veterans from the Aging and Disability Network:
 - ❑ State Units on Aging (SUAs)
 - ❑ Area Agencies on Aging (AAAs)
 - ❑ Aging and Disability Resource Centers (ADRCs)

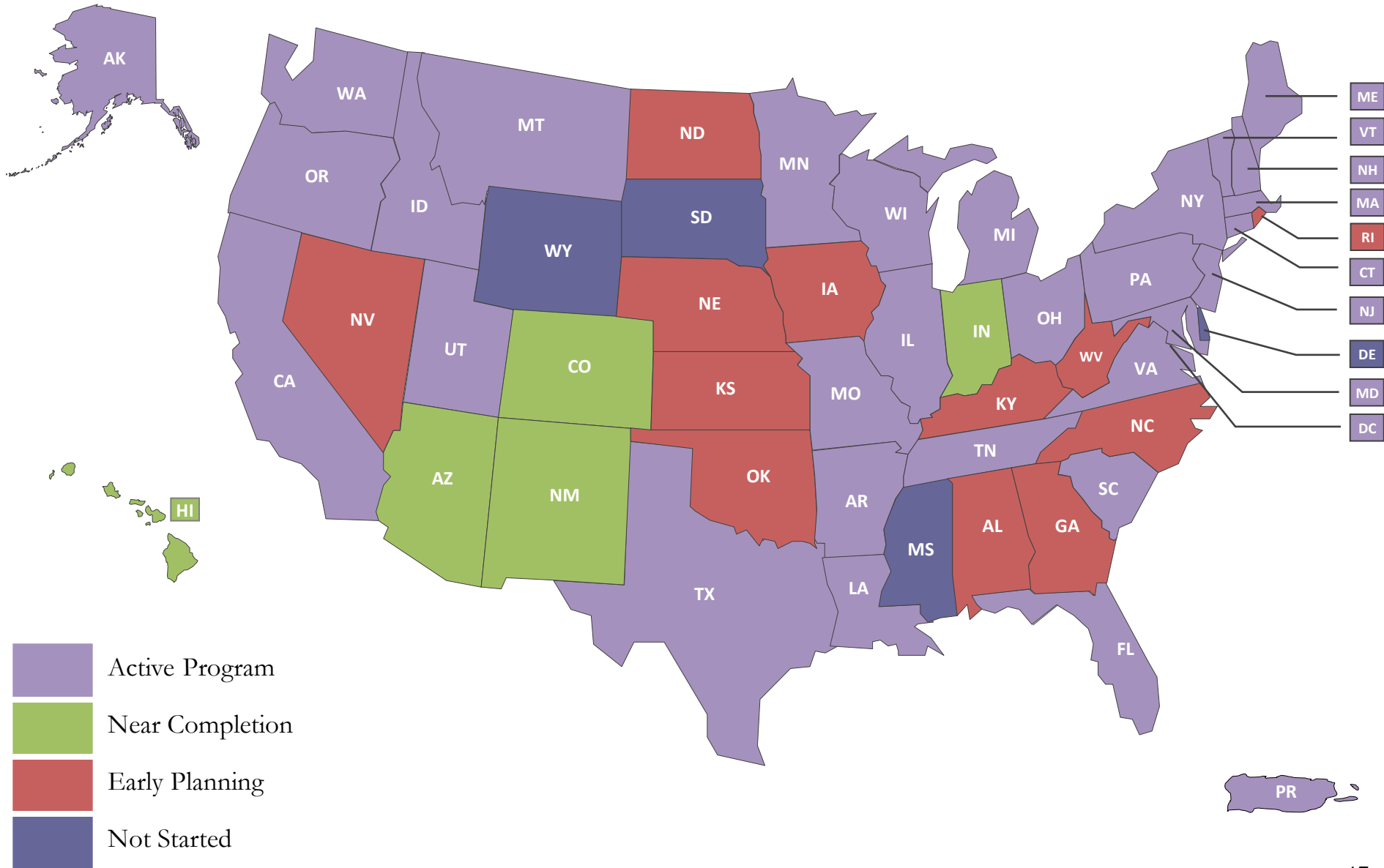
Veterans in VD-HCBS

- ❑ Receive assessment and care planning assistance
- ❑ Decide for themselves, or with a representative, what mix of goods and services will best meet their needs
- ❑ Manage a flexible, individual monthly budget
- ❑ Hire and supervise workers, including family or friends
- ❑ Purchase items or services needed to live independently in the community
- ❑ Have financial management and support services to facilitate service delivery

Current Status and Future Direction

- ❑ VD-HCBS commenced at VAMC Battle Creek in February 2009
- ❑ As of April 2015, The VD-HCBS Program is available at 51 VAMCs, 110 AAAs/ADRCs, and in 29 states, DC, and Puerto Rico
- ❑ Over 2,200 Veterans have enrolled in the program

VD-HCBS Programs



VD-HCBS Program Review Findings



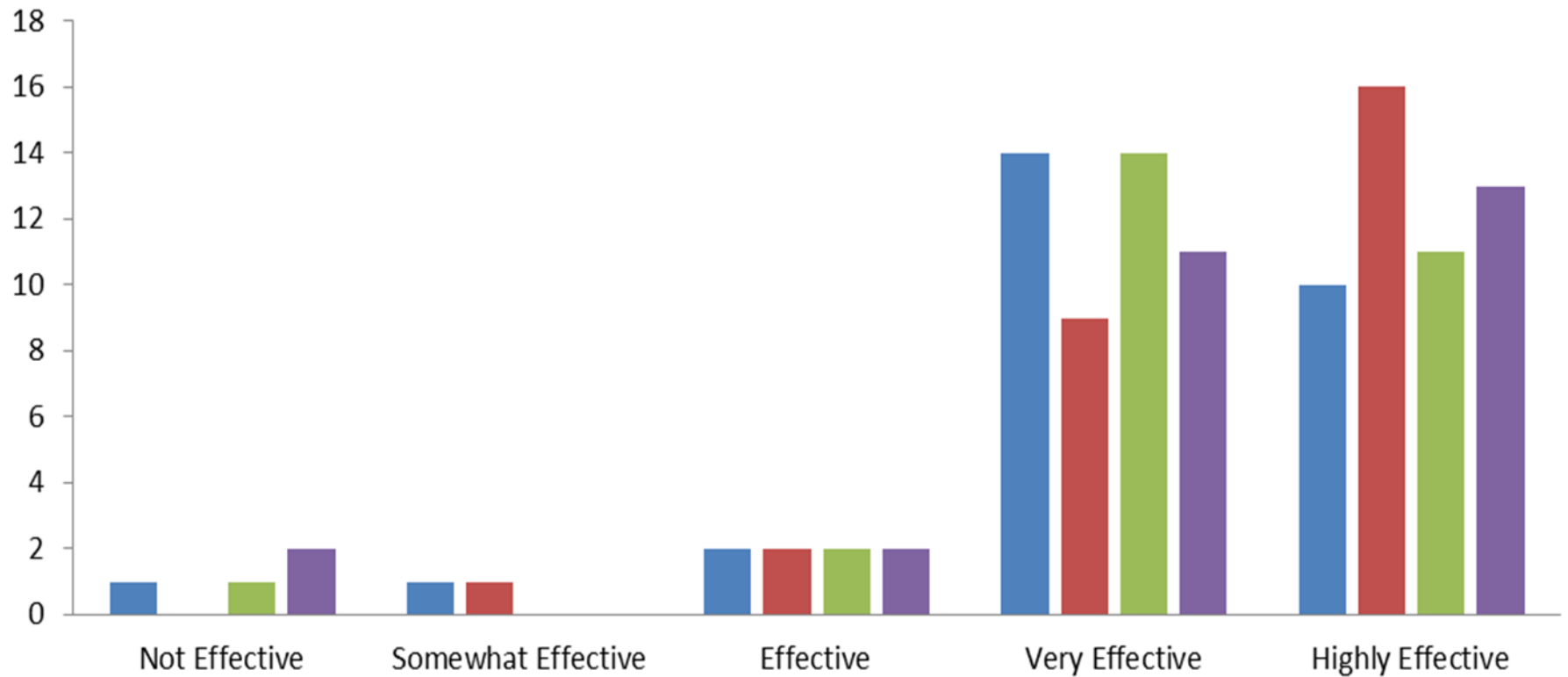
2012 VD-HCBS Evaluation

- ❑ Interviews with 27 VD-HCBS Coordinators
- ❑ Comparison of 10 VD-HCBS Veterans with 10 Homemaker and Home Health Aide Services (H/HHA) Veterans
 - ❑ Clinical Needs
 - ❑ Costs and Services

Report of 27 VD-HCBS Coordinators

How Effective is VD-HCBS at:

■ Meeting Veterans Needs ■ Remain at Home ■ Improve Satisfaction ■ Improve Accessibility



Note on High Acuity

- ❑ The sampled Veterans using VD-HCBS have statistically higher acuity than those in the VA's other Home Health Care services
- ❑ For Veterans with Home Health Care needs of >20 hours/week, VD-HCBS is less expensive

Cost Comparison: VD-HCBS vs Nursing Home

- ❑ Milwaukee, Wisconsin cost study projects 25 Veterans in VD-HCBS vs Community Nursing Home (CNH) would save \$875,000 per year
- ❑ Chillicothe, Ohio
 - ❑ 3 Veterans transferred from CNH to VD-HCBS
 - ❑ Annual CNH cost for the 3 Veterans was \$623,656
 - ❑ Annual VD-HCBS cost for the 3 Veterans was \$76,784

Cost Comparison: Cost Avoidance

- ❑ Comparing all VA care utilization one year before and one year after VD-HCBS enrollment
- ❑ Connecticut: $n = 7$
 - ❑ Compared individual Veterans' utilization
 - ❑ ER admissions down 17%
 - ❑ Inpatient admissions down 44%
 - ❑ Inpatient days down 42%
- ❑ Central Texas: $n = \sim 20$
 - ❑ Compared total utilization of all Veterans in VD-HCBS
 - ❑ Number of Veterans with Inpatient admissions down 50%
 - ❑ Number of Veterans with ER admissions down 40%
 - Pre-VD-HCBS, 95% of Veterans had ER admission

The California Story

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Quiz Time

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Budget & Employer Authority in Self Direction

- ❑ The VD-HCBS program requires that *all* sites ensure that the program has both “Budget Authority” and “Employer Authority”
- ❑ What the heck does that mean?

Budget Authority

- ❑ Budget Authority means that a participant has choice and control over what goods and services to purchase within their spending plan
- ❑ They may be authorized \$3000 for each month
- ❑ Within that \$3000 the Veteran works with his/her Options Counselor to determine what mix of services and supports to purchase to meet his/her needs
- ❑ This might include purchasing some Personal Care services, some Respite for a primary caregiver, some goods or maybe even a home modification
- ❑ The Veteran even decides the rate of pay to pay workers

Case 1: Marybeth

Marybeth Jones is a Veteran and a participant in the VD-HCBS program. Marybeth has an individual budget with \$2,000 a month in it. Prior to joining the VD-HCBS program, Marybeth was in a home health program. Marybeth needs help with meal preparation, bathing, and getting out of bed. In the Home Health program, Marybeth used aides to help her with all of this. Now in the VD-HCBS program, Marybeth will hire her neighbor to help her in the mornings with getting out of bed and bathing and on some evenings with meal preparation. She has decided to use some of the funds she would otherwise use for aides to purchase a microwave. With a microwave, Marybeth says she could heat up more food herself and then wouldn't need an aide or her neighbor to come as often, thereby saving some of her budget funds.

Does Marybeth have budget authority?

Employer Authority

- ❑ Employer Authority means that a participant can directly hire workers of his/her choice and will train, manage, schedule and dismiss workers.
- ❑ Instead of selecting from a menu of workers, the Veteran can hire anyone he or she chooses, provided they meet minimum qualifications
 - ❑ Minimum qualifications could mean a background check
 - ❑ Often it means meeting the requirements of the Veteran's own job description for the role for which the Veteran is hiring

Case 2: John and Sarah

John Miller gets Personal Assistance Services from ABC Home Health Agency. ABC sends 5 prospective workers to John's home. John tells the agency that of the 5 workers, he likes Sarah the best and wants her to provide his services. ABC has information on John's health and ADLs and trains Sarah in accordance with them, giving her clear instructions about how to care for John. John can pick from a menu of available times that Sarah can visit him: 8AM – Noon, Noon to 4PM or 4PM to 8PM. Sarah is paid by ABC and the agency handles all the tax and insurance responsibilities. John is not sure how much his worker is paid, but he does sign her timesheets every week.

Does John have Employer Authority?

Models of FMS

- ❑ Two primary models of FMS used in most Veteran direction programs
 - ❑ Fiscal/Employer Agent
 - ❑ Agency with Choice
- ❑ Both models can have:
 - ❑ Employer Authority &
 - ❑ Budget Authority

Fiscal/Employer Agent

- ❑ Veteran (or representative) is the common law employer of home-based workers who are employees. Veteran hires, fires, trains and manages workers.
- ❑ The F/EA supports the Veteran to complete and file appropriate tax forms to become an employer, manages payroll duties on behalf of the employer and withholds, deposits and files applicable taxes on the employer's behalf. The F/EA may manage applicable workers' compensation duties.
- ❑ The Veteran can also work with agencies, vendors and other independent contractors. The Veteran is NOT the employer of agencies, vendors or other independent contractors. Payments to these entities can be made by the F/EA or another source.

Agency with Choice

- ❑ Agency and Veteran have a co-employment relationship for workers who provide services to the participant
- ❑ The agency is the primary employer
- ❑ The participant is the managing employer
- ❑ The agency hires the worker and manages all duties related to tax, labor and workers' compensation rules and regulations
- ❑ The participant may refer a worker to the agency for hire, participate in training the worker and have some control over scheduling and dismissing the worker

Case 3: F/EA or AwC?

John is in a program with employer authority and budget authority. John wants to hire his niece, Cathy, to help him in the mornings. John's Support Broker connects him with the FMS provider. The FMS provider helps John complete a packet of papers to establish John as an employer with tax agencies and for John to authorize the FMS provider to file and pay taxes on his behalf. The FMS provider tells John he can pay Cathy anywhere from minimum wage up to \$20 per hour. John's Support Broker helps him plan what he wants to pay Cathy, while ensuring he has enough money in his budget to purchase his other needed supports. John trains Cathy to help him and sets her work schedule.

Continued

Every two weeks, John and Cathy complete timesheets showing the time Cathy started work and the time she finished each day. Both John and Cathy sign the timesheets. They send the timesheets to the FMS provider, who pays Cathy and withholds all applicable taxes. The FMS provider deposits those taxes on John (the employer's) behalf with the IRS and state/local tax agencies. The FMS provider also files the employer tax returns on John's behalf.

**Is John working with a
Fiscal/Employer Agent or an
Agency with Choice?**

F/EA = Only Normally Allowed Model in VD-HCBS

- ❑ Federal partners have determined that F/EA is the allowed model of FMS in VD-HCBS*
- ❑ F/EA is structured for ample flexibility and Veteran control → Veteran is the employer!
- ❑ Prior issues with Agency with Choice
 - ❑ “Double dipping” on admin fees and costs
 - ❑ Limited Veteran control over wages
 - ❑ Limited Veteran control over workers
 - ❑ Limited Veteran control over services

Who is the employer in the type of FMS usually required in VD-HCBS?

Who is the employer in the type of FMS allowed in California for VD-HCBS?

Based on the research, is VD-HCBS more or less expensive than traditional home care?

For Veterans with what kind of acuity?

Bonus Question

Caregivers of self-directing participants are very satisfied with overall care and report less _____ and _____.

Questions?





NATIONAL RESOURCE CENTER *for*
PARTICIPANT-DIRECTED SERVICES



-THANK YOU-

www.VD-HCBS.participantdirection.org