

Attachment H: Veterans Health Administration Opportunity for ADRCs

Special Opportunity To Expand HCBS Access for Veterans

Summary

The Veterans Health Administration (VHA), within the Department of Veterans Affairs (VA) has a long standing partnership with the U.S. Department of Health and Human Services (HHS) and partners with the Aging and Disability networks to provide Veteran Directed Home and Community Based Services (VD-HCBS). The VHA plans to build on the existing partnership with ACL by purchasing the services of ADRC Options Counselors to work with veterans and their families as they determine how to use their flexible HCBS service budgets to meet their LTSS needs, goals and preferences.

The VHA recognizes the ADRC Options Counseling Program as the front door to LTSS and will have estimated expenditures of up to \$9 million each year over the project period across states who receive the "The Enhanced Aging and Disability Resource Center Options Counseling Program" Award. Flexible HCBS service budgets and the services of an ADRC Options Counselor will be offered, no matter if the Veteran chooses Veteran Directed HCBS or non-veteran directed HCBS. The VAMC will directly purchase Options Counseling from the ADRCs. Veterans may choose to self-direct their services or purchase traditional HCBS services.

This Attachment provides guidance to states interested in pursuing this "Special Opportunity to Expand HCBS Access for Veterans."

Background

The VA's mission is to fulfill President Lincoln's promise "To care for him who shall

need for LTSS, the FY 2013 President's Budget, includes a proposed increase of the VA LTSS by \$500 million to strategically expand access to both institutional and non-institutional LTSS.¹ HCBS is a mandated benefit for all Veterans enrolled in the VA system, 38 CFR Part 17.38.

As of September 30, 2010 the total veteran population 17 years of age and older was 22.7² million. Of these veterans 40%³ are age 65 or older while 1.4%⁴ are under age 25. While the total number of veterans is decreasing, the number of veterans with a service-connected disability is increasing. A service-connected disability means the disability was a result of disease or injury incurred or aggravated during active military service. These disabilities are evaluated according to the Department of Veterans Affairs' (VA) Schedule for Rating Disabilities in 38 CFR Part 4. Since 1990 there has been a 46% increase in the number of veterans with a service connected disability.⁵ In FY 2010 more than 3.2 million veterans or 14% of the total veteran population had a service connected disability.⁶ Service-connected disability ratings are graduated based on the degree of the veteran's disability on a scale of 0 to 100% in increments of 10%. The growth in the number of veterans with a service-connected disability is concentrated among those rated 50% or higher.⁷ The graph below by Dr. Stephen Kaye show that the number of community-resident veterans reported as needing help in 2 or more of the basic activities of daily living (ADL) is also increasing.⁸

¹ VA 2013 Budget Fast Facts.

http://www.va.gov/budget/docs/summary/Fy2013_Fast_Facts_VAs_Budget_Highlights.pdf

² US Department of Veterans Affairs, Office of the Actuary, Veteran Population Projections Model (VetPop), 2007, Table 5L.

³ US Department of Veterans Affairs, Office of the Actuary, Veteran Population Projection Model (VetPop), 2007. Prepared by the National Center for Veterans Analysis and Statistics.

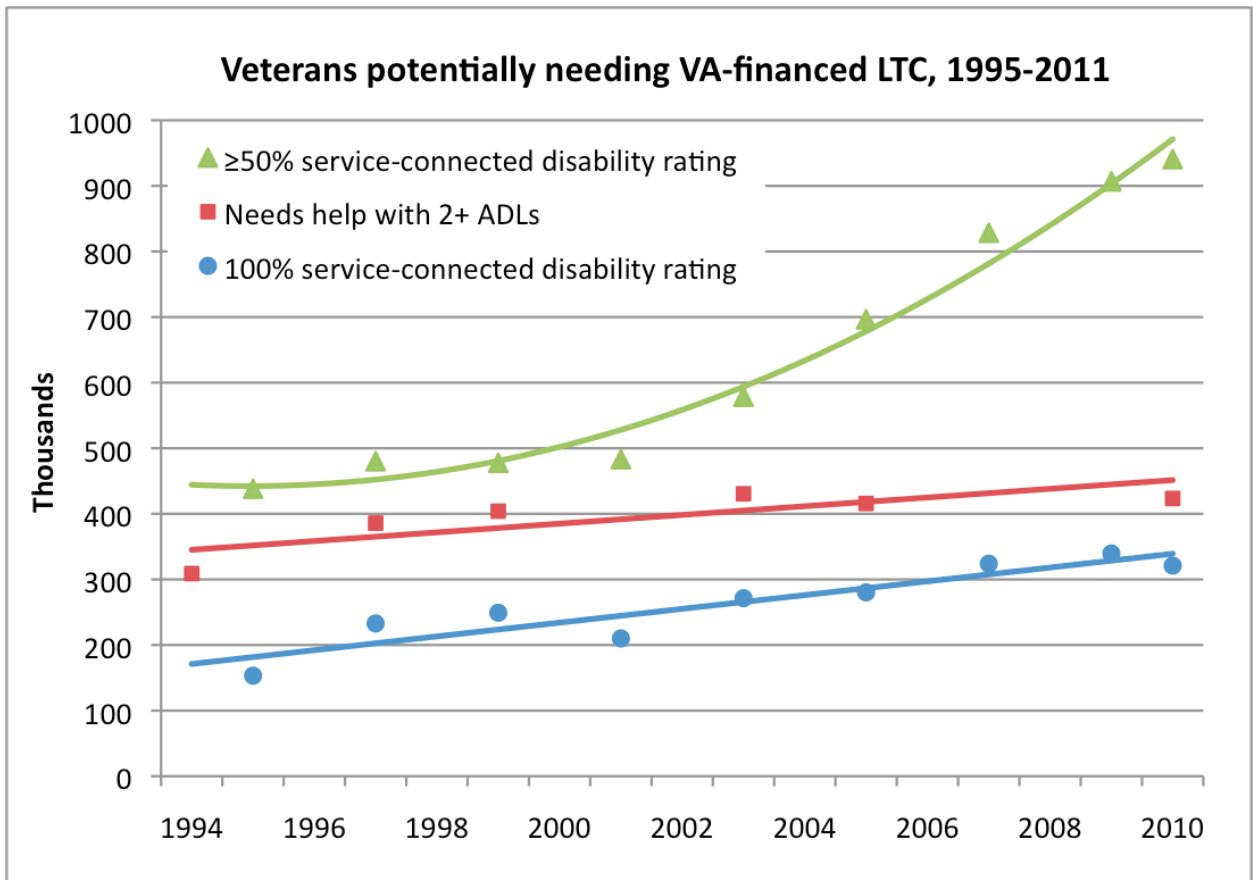
⁴ Department of Veterans Affairs, Office of the Actuary, Veteran Population Projection Model (VetPop), 2007. Prepared by the National Center for Veterans Analysis and Statistics.

⁵ Department of Veterans affairs, Veterans Benefits Administration Annual Benefits Reports, 1985-2010; Office of Policy & Planning, Office of the Actuary, Veteran Population Projection Model (VetPop), 2007. Prepared by the National Center for Veterans Analysis and Statistics.

⁶ Department of Veterans affairs, Veterans Benefits Administration, Annual Benefits Reports, 1985 to 2010. Prepared by the National Center for Veterans Analysis and Statistics.

⁷ Department of Veterans affairs, Veterans Benefits Administration Annual Benefits Reports, 1985-2010. Prepared by the National Center for Veterans Analysis and Statistics.

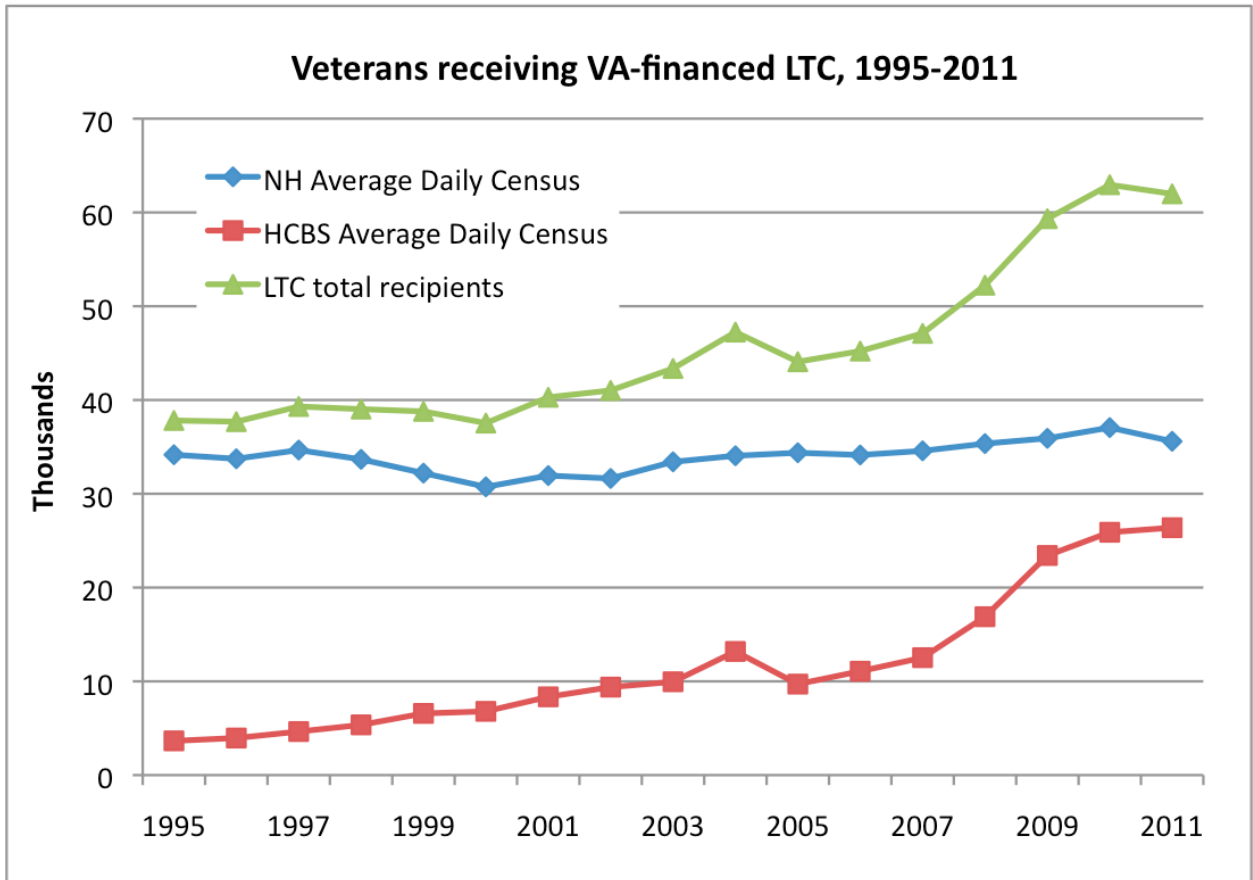
⁸ H.Stephen Kaye, Ph.D., Center for Personal Assistance Services University of California San Francisco; PAS Center funded by National Institute on Disability & Rehabilitation Research. Feb 2012.



9

Last year more than 100,000 veterans received LTSS and approximately 60% were provided HCBS while 40% received their LTSS in a nursing home. From 1995 to 2011, the total number of veterans receiving LTSS has increased 64%.

⁹ H.Stephen Kaye, Ph.D., Center for Personal Assistance Services University of California San Francisco; PAS Center funded by National Institute on Disability & Rehabilitation Research. Feb 2012.



10

From 2007-2011, VA’s LTSS expenditures increased by \$1.2 billion. This amount represented a 22% increase in total expenditures in LTSS. During this time period nursing home expenditures increased by \$1 billion and HCBS expenditures increased by roughly \$300 million. In 2011 HCBS expenditures represented 19% of total LTSS expenditures.

Another way to look at expenditures is by reviewing annual expenditure per LTSS recipient. Of note, throughout the period, per-resident nursing home expenditures were much greater than those for HCBS; in 2011, the ratio was 5.3 to 1. Despite the increasing per-resident nursing home expenditure, the total LTSS expenditure per veteran remains relatively steady, at roughly \$80,000 in 2010 dollars, over the period because of increasing utilization of less-costly HCBS.¹¹

¹⁰ H.Stephen Kaye, Ph.D., Center for Personal Assistance Services University of California San Francisco; PAS Center funded by National Institute on Disability & Rehabilitation Research. Feb 2012.

¹¹ H.Stephen Kaye, Ph.D., Center for Personal Assistance Services University of California San Francisco; PAS Center funded by National Institute on Disability & Rehabilitation Research. Feb 2012.

The VHA is seeking to expand access to HCBS to honor veteran's preferences to remain engaged members of the community and to increase the numbers of veterans that may receive LTSS. The VHA has a long standing partnership with the ACL and partners with the Aging and Disability networks to provide Veteran Directed Home and Community Based Services (VD-HCBS). The VHA plans to build on the existing partnership with ACL by purchasing the services of NWD/ADRC Options Counselors to work with veterans and their families as they determine how to use their flexible HCBS service budgets to meet their LTSS needs, goals and preferences.

Over the last 4 years more than 38 VAMCs across 15 VISNs have been purchasing Options Counseling services via the VD-HCBS from 91 AAA/CIL/ADRCs. Options Counselor's work with veterans and their families to identify their functional needs, develop a service plan to meet those needs, activate the service plan and follow-up to assure the plan is working as the veteran envisioned. More than 17% of the individuals served through the VD-HCBS program are under 60, many having returned from current conflicts including Operation Iraqi Freedom, Operation Enduring Freedom and Operation New Dawn.

Starting in 2008, ACL has collaborated with the VHA to deliver a veteran-directed option to veterans in need of home and community based services. HHS, through the ACL, continues to work closely with VHA to provide an additional opportunity to SUAs and AAAs to serve veterans of all ages at risk of nursing home placement. ACL and VHA's long-range national vision is to have a long-term service and supports system that is person-centered, consumer-directed and helps people at risk of institutionalization to continue to live at home and be engaged in community life. The VHA will increase access to HCBS to serve the growing demand of veterans who desire home care and prefer independence at home over living in a nursing facility. Current research shows that on average, the Medicaid dollars that are required to support one adult in a nursing home are almost enough to support three adults with physical disabilities in the community.¹² As the need of veterans for LTSS continues to grow, increasing access to HCBS strategically through an ADRC is essential to meeting the current and future needs of veterans and their families.

How Do I Apply?

States interested in pursuing this additional opportunity will be required to submit the following as an Addendum to their ADRC application:

¹² Kassner E, Reinhard S, Fox-Grage W, Houser A, Accius J, Coleman B, et al. A balancing act: state long-term care reform [Internet]. Washington (DC): AARP Public Policy Institute; 2008 Jul [cited 2011 Jan 25]. (Research Report).

I. Letters of Commitment from:

1. Leadership at VAMC (e.g. CEO, CMO or CFO)
2. VISN Director
 - If there are multiple VISNs in your state wishing to participate please submit LOC's from each participating VISN.

II. Approach. Each applicant should describe the approach your state will take to develop and deliver VDHCB services to Veterans statewide by the end of the 3 year project period.

Applicant should describe:

1. After receipt of VDHCB funds how soon implementation will begin.
2. Any relationships, formal or otherwise, that exists at the state or local level between ADRCs and VAMCs.
3. Demonstrated experience in the delivery of a consumer directed program(s).
4. Any current relationship that exists between a state or local ADRC and an FMS vendor in the deliver VDHCB.

Reviewers will look favorably upon applications that:

1. Include a Letter of Support from the State Office of Military and Veterans Affairs
2. Have minimal or no delay in the delivery of VDHCB upon receipt of funds

VISN/VAMCs serving veterans in the state shall indicate their interest in applying for the VA HCBS Expansion Program via letters of commitment that are included with the state's application. VISNs/VAMCs will agree in the letters of commitment that they will use funds to purchase the ADRC Options Counseling Program and provide each veteran with a flexible HCBS budget. Similar to previous funding opportunities, the **VA HCBS Program application shall be made by including in the ADRC grant application letters of commitment from the VISNs/VAMCs that serve veterans living in the state.**

Within 6 Months After Receipt of ADRC Options Counseling Award

States receiving this funding opportunity and who select to participate in these joint VHA activities will work with their local ADRCs/VAMCs to submit the following project management information to ACL, CMS and VHA:

- Number of Veterans served through VDHCBS to Date: _____
(as of __/__/____)
- Number of Veterans expected to be served through VDHCBS in Year 1:

- Number of Veterans expected to be served through VDHCBS in Year 2:

- Number of Veterans expected to be served through VDHCBS in Year 3:

- Number of Veterans expected to be served over 3 year project period
_____ at a total estimated cost of \$_____

What is the VISN/VAMC and ADRC Options Counseling role in the delivery of the VA HCBS Expansion Program?

For the selected States participating in this funding opportunity, the Designated State Agencies by the Office of the Governor will provide an Options Counseling program through ADRC sites. The VAMC will screen veterans that are eligible for HCBS and determine the case-mix category that is most appropriate based on the veterans functional needs. The VAMC will refer eligible veterans with a flexible HCBS service budget to the ADRC. Upon referral from their VAMC colleagues, the ADRC Options Counselors will conduct comprehensive person-centered assessments, work with the veteran and their family caregiver to develop HCBS service plans, provide consumer directed models of care when selected, work with the veteran to activate HCBS services and provide on-going options counseling to veterans and their family caregivers in partnership with their local VA Medical Center(s).

Options counseling enables individuals to understand the services available in their communities, evaluate the utility of these services, make informed decisions about the services that best meet their needs and preferences, and make the best use of their own personal and financial resources over time. Options Counseling also helps ensure that people receive services they choose, including streamlined access to services to ensure that an individual's service plan is activated. Options Counseling connects individuals to appropriate services using person-centered planning methods.

Options counseling involves self direction of services. Self direction enables access to services and supports that are controlled by the individual; self directed services are also a key requirement of the Older Americans Act of 1965 as Amended In 2006 (Public Law 109-365) (OAA). The OAA requires the Assistant Secretary for Aging to promote coordinated systems of care that enable individuals to receive long term services and supports in home and community-based settings “in a manner responsive to the needs and preferences of older individuals and their family caregivers.” Flexible spending accounts, which are integral to successful self direction, are a vehicle by which individuals directly hire their workers and directly purchase goods and services. A large, randomized-controlled trial of self direction provided evidence of the efficacy of this approach. Results included greater satisfaction with quality of services, satisfaction with quality of life, sense of empowerment, and decreased unmet needs.¹³

Based on the number of veterans that will be referred to the ADRC Options Counselors, the local VA Medical Centers will provide funding to the ADRCs so that Options Counselors are available and ready to serve veterans as they are referred by the VAMC. The estimated monthly budget for HCBS services for each enrolled veteran will be supported by ongoing VA HCBS funding. Similar to the VD-HCBS program, the VAMC will pay for both the VA HCBS Administrative component and the HCBS services. The ADRC Options Counseling program will submit bills to the VAMC on a monthly basis. If the veteran chooses to receive traditional HCBS services, the HCBS service agencies selected by the veteran will bill the ADRC OC program for HCBS services provided. If the veteran chooses VD-HCBS, the ADRC will provide the funds for the flexible service budget and bill the VA for both the VD-HCBS Administrative component and the authorized services at the end of each month.

Agency Contacts:

Daniel J. Schoeps
Director, Purchased Long Term Services and Supports
Geriatrics and Extended Care
VA Central Office
Daniel.Schoeps@va.gov

Kevin Foley
Center for Disability & Aging Policy

¹³ Brown, R et al: 2005. Cash and Counseling: Improving the Lives of Medicaid Beneficiaries Who Need Personal Care or HCBS Princeton NJ: Mathematica Policy Research Inc

Office of Integrated Programs
Administration for Community Living
Kevin.Foley@aoa.hhs.gov