Family and Social Services Administration

Community and Home Options to Institutional Care for the Elderly and Disabled

Annual Report
SFY 2006

July 1, 2005 to June 30, 2006

Community and Home Options to Institutional Care
For the Elderly and Disabled
Annual Report
FY 2006

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Executive Summary

The Community and Home Options to Institutional Care Program (CHOICE) was established during the 1987 legislative session through House Enrolled Act (HEA) 1094 and began as a pilot program in Knox, Daviess, and Tippecanoe counties in 1988. In 1990, the program expanded to eleven more counties and by 1992, the program included services to all of Indiana's 92 counties. In 2005, Indiana Code 12-10-10-4 was amended to include an individual asset limit to not exceed the worth of five hundred thousand dollars. CHOICE is funded exclusively with state dollars.

To be an "eligible individual" for CHOICE program services, one must:

> be a resident of the State of Indiana;
>
> be 60 years of age or older or disabled;
>
> not have assets exceeding the worth of five hundred thousand dollars, as determined by the IDA; and
>
> qualify under the criteria developed by the board as having an impairment that places the individual at risk of losing the individual's independence if the individual is unable to perform 2 or more activities of daily living.

CHOICE funding for services is used after all other possible payment sources have been identified and all reasonable efforts have been employed to utilize those sources. While there are no income restrictions on eligibility, the CHOICE cost-share provision requires those who can pay all or part of the cost of services to do so. For SFY 2006, the CHOICE program continued to play an important and critical part in providing community and home care services to those individuals who met eligibility requirements.

Basis for the CHOICE Annual Report

IC 12-10-10-11 is the basis for the CHOICE annual report. The code is listed throughout this report along with the appropriate statistics and data from SFY 2006.

IC 12-10-10-11
Reporting requirements; contents; submission to board and general assembly; funding

Before October 1 of each year, the division, in conjunction with the office of the secretary, shall prepare a report for review by the board and the general assembly. The report must include the following information regarding clients and services of the community and home options to institutional care for the elderly and disabled program and other long term care home and community-based programs:

IC 12-10-10-11(a) (1)
The amount and source of local, state and federal dollars spent.

Total Expenditures (CHOICE, SSBG, Older Americans Act - Title III, Assisted Living, Aged and Disabled, Medically Fragile Children and Traumatic Brain Injury Medicaid Waivers) for State Fiscal Year (SFY) 2006[1].

	TOTAL	STATE	FEDERAL
Aged and Disabled	$26,740,025	$9,912,527	$16,827,498
Assisted Living	$2,037,123	$755,161	$1,281,962
Medically Fragile Children	$1,030,170	$381,884	$648,286
Traumatic Brain Injury	$3,275,523	$1,214,236	$2,061,287
Social Service Block Grant	$8,349,439	$2,087,360	$6,262,079
Older Americans Act-Title III	$22,014,624	$5,503,656	$16,510,968
CHOICE	$32,539,954[2]	$32,539,954	$0
SFY 2006 Total Expenditures	**$95,986,858**	**$52,394,778**	**$43,592,080**

NOTES: 1. State share calculated as $ * 0.3707; Federal share calculated as $ * .6293
2. SSBG & TITLE III have a 25% Federal match.

IC 12-10-10-11(a) (2)
The use of community and home options to institutional care for the elderly and disabled program supplementing the funding of services provided to clients through other programs.

SFY 2006
Total number of clients who used the CHOICE program to supplement the funding of services provided through other programs:
3,418[3]

IC 12-10-10-11(a) (3)
The number and types of participating providers.[4]

SFY 2006
Total Number of CHOICE Providers:
1,871[5]

SFY 2006
Types of Participating CHOICE Providers:

Adult Day Care Centers

Area Agencies on Aging

Assistive Technology Suppliers

Cleaning Service Companies

Construction Companies

Doctors

Faith-Based Social Service Agencies

Home Delivered Meals Services

Home Health Agencies

Home Nursing Agencies

Hospitals

Informal Providers

Legal Service Organizations

Local Housing Authorities

Medical Centers

Medical Equipment Companies

Mental Health Agencies

Pest Control Companies

Pharmacies

Physical Therapists

Transportation Companies

IC 12-10-10-11(a) (4) (A)
An examination of demographic characteristics.

SFY 2006
Total clients:
9,055

Age Range	Female	Male	Total
0-18	172	273	445
19-59	847	635	1,482
60-64	342	139	481
65-59	451	178	629
70-74	619	208	827
75-79	829	282	1,111
80-84	1,118	366	1,484
85+	2,056	523	2,579
TOTAL	**6,434**	**2,604**	**9,038**

Note: 17 clients did not report gender

Household Size	Number of Clients
Not reported	76
1	5,044
2	2,746
3	630
4 or more	559
Total	**9,055**

RACE	CLIENTS
ALASKAN NATIVE	2
AMERICAN INDIAN	13
ASIAN	6
ASIAN INDIAN	3
BLACK	969
CAUCASIAN	7,410
CHAMORRO	3
CHINESE	-
CUBAN	-
FILIPINO	2
GUAMANIAN	-
HISPANIC	34
JAPANESE	-
KOREAN	1
MEXICAN	29
MIXED	9
NATIVE HAWAIIAN	-
OTHER PACIFIC ISLANDER	-
OTHER ASIAN	5
OTHER HISPANIC	12
OTHER RACE	104
PUERTO RICAN	5
SAMOAN	-
VIETNAMESE	-
NOT SPECIFIED	503
TOTAL	**9,055**

Note: 335 Clients reported as multi-racial

IC 12-10-10-11(a) (4) (B)
An examination of impairment and medical characteristics.

SFY 2006
Impairments and Medical Characteristics of CHOICE clients include:

DIAGNOSIS CLASSIFICATION	PRIMARY	% OF TOTAL	SECONDARY	% OF TOTAL	TERTIARY	% OF TOTAL
INFECTIONS	34	0.38%	29	0.32%	24	0.27%
NEOPLASMS	248	2.74%	131	1.45%	100	1.10%
ENDOCRINE	890	9.83%	947	10.46%	665	7.34%
BLOOD DISORDERS	29	0.32%	48	0.53%	40	0.44%
MENTAL	685	7.56%	614	6.78%	546	6.03%
NERVOUS	1,797	19.85%	825	9.11%	650	7.18%
CIRCULATORY	2,094	23.13%	2,127	23.49%	1,507	16.64%
RESPIRATORY	469	5.18%	407	4.49%	312	3.45%
DIGESTIVE	86	0.95%	153	1.69%	221	2.44%
URINARY	127	1.40%	133	1.47%	109	1.20%
PREGNANCY	2	0.02%	10	0.11%	4	0.04%
SKIN	46	0.51%	56	0.62%	41	0.45%
MUSCULAR	1,363	15.05%	1,402	15.48%	1,113	12.29%
CONGENITAL	124	1.37%	34	0.38%	31	0.34%
PERINATAL	8	0.09%	10	0.11%	9	0.10%
OTHER	605	6.68%	662	7.31%	606	6.69%
NO DIAGNOSIS CODE	448	4.95%	1,467	16.20%	3,077	33.98%
TOTAL	**9,055**	**100.00%**	**9,055**	**100.00%**	**9,055**	**100.00%**

IC 12-10-10-11(a) (5)
A comparison of costs for all publicly funded long term care programs.

SFY 2006	CHOICE	Older Americans Act - Title III	Combined Home and Community-Based Waivers	Social Services Block Grant (SSBG)
Annual Expenditures	$32,539,954[6]	$ 22,014,624	$33,082,842[7]	$8,349,439

CHOICE cost compared to nursing facility cost.[8]

CHOICE	TOTAL	STATE	FEDERAL
AVERAGE COST			
PER DAY	$16.25	$16.25	$0.00
PER MONTH	$544.59	$544.59	$0.00
PER YEAR	$6,535.08	$6,535.08	$0.00
NURSING FACILITIES			
AVERAGE COST			
PER DAY	$112.48	$41.70	$70.78
PER MONTH	$3,421.27	$1,268.26	$2,153.01
PER YEAR	$41,055.20	$15,219.16	$25,836.04

IC 12-10-10-11(a) (6)
Client care outcomes.

SFY 2006
CHOICE provided community and home care services as an alternative to institutional care for 9,055 clients.

IC 12-10-10-11(a) (7) (A)
A determination of the estimated number of applicants for services from the community and home options to institutional care for the elderly and disabled program who have one (1) assessed activity of daily living that cannot be performed.

SFY 2006
CHOICE CLIENTS UNABLE TO PERFORM 1 ADL

Count
245

IC 12-10-10-11(a) (7) (B)
A determination of the estimated number of applicants for services from the community and home options to institutional care for the elderly and disabled program who have two (2) assessed activities of daily living that cannot be performed.

SFY 2006
CHOICE CLIENTS UNABLE TO PERFORM 2 ADLS

Count
1,815

IC 12-10-10-11(a) (7) (C)
A determination of the estimated number of applicants for services from the community and home options to institutional care for the elderly and disabled program who have three (3) or more assessed activities of daily living that cannot be performed.

SFY 2006
CHOICE CLIENTS UNABLE TO PERFORM 3 OR MORE ADLS

Count
5,962

Total clients 9,055[9]

IC 12-10-10-11(a) (7) (A) (B) and (C)
The estimated effect of the results under clauses (A), (B) and (C) on program funding, program savings, client access, client care outcomes, and comparative costs with other long-term care programs.

For SFY 2006:

Program savings
The average cost per month for CHOICE services was $2,877 less than the average cost to maintain someone in an institution ($545 vs. $3,421). [10] The breakdown of State versus Federal portion of the savings (by day, month, and year) is illustrated below. The calculation of the savings is based on the total savings (A-B).

	DAILY RATE	MONTHLY RATE	YEARLY RATE
A. NURSING HOME	$112	$ 3,421	$41,055
B. CHOICE	$16	$ 545	$6,535
C. SAVINGS (A - B)	**$96**	**$ 2,877**	**$34,520**
D. STATE SHARE OF SAVINGS	$36	$ 1,066	$12,797
E. FEDERAL SHARE OF SAVINGS	$61	$ 1,810	$21,724

NOTES: D = C * 37.07%
E = C * 62.93%

Client access

In SFY 2006, CHOICE clients had access to an array of services. CHOICE services include the following:

ADULT DAY CARE

TRANSPORT-ADULT DAY SERVICES

SPECIALIZED MEDICAL EQUIPMENT

ASSISTED TRANSPORTATION

ATTENDANT CARE

BATH AIDE

BEHAVIOR MANAGEMENT

CASE MANAGEMENT

ENVIRONMENTAL MODIFICATIONS

FAMILY & CARE TRAINING

FOOT CARE

HOME DELIVERED MEALS

HOMEMAKER

HOME HEALTH AIDE

LPN

MEDICATION
TIME REMINDERS

MEDICATION SETUP

OCCUPATIONAL THERAPY

OTHER NEEDED SERVICES

PHYSICAL THERAPY

RESPITE

RESIDENT BASED
HABILITATION

RESPITE - HOMEMAKER

SKILLED CARE, RN

Respite Nursing

RN

SKILLED NURSING

SPEECH THERAPY

HOME HEALTH SUPPLIES

SOCIAL WORKER

TRANSPORTATION

WHEELCHAIR TRANSPORTATION

Costs of other funding sources for services and their annual costs compared to CHOICE annual cost[11].

FUNDING SOURCE	ANNUAL COST - SFY 2006		
Medicaid Waivers	**TOTAL**	**STATE**	**FEDERAL**
Aged and Disabled	$26,740,025	$9,912,527	$16,827,498
Assisted Living	$2,037,123	$755,161	$1,281,962
Medically Fragile Children	$1,030,170	$381,884	$648,286
Traumatic Brain Injury	$3,275,523	$1,214,236	$2,061,287
Social Services Block Grant	$8,349,439	$2,087,360	$6,262,079
Older Americans Act - Title III	$22,014,624	$5,503,656	$16,510,968
Includes expenditures for both In-Home and Community Based Services			
CHOICE	$32,539,954	$32,539,954	$0
TOTAL	**$95,986,858**	**$52,394,778**	**$43,592,080**

NOTES: 1. State share calculated as $ * 0.3707; Federal share calculated as $ * .6293
2. SSBG & TITLE III have a 25% Federal match.

[1] State Fiscal Year (SFY) runs from 7/1/05 to 6/30/06
[2] This amount includes:
CHOICE funds used for In-Home Services: $29,695,949 and
CHOICE funds used for Case Management: $2,829,208
but does not include the transfer of funds to IN Medicaid of approximately $6.7 Million.
[3] Clients matched from Choice against Indiana Medicaid data only.
[4] Information Source - INsite (Indiana In-Home Services Information System)
[5] represents ~4% increase in number of providers of CHOICE services
[6] This amount includes:
CHOICE funds used for In-Home Services: $29,695,949 and
CHOICE funds used for Case Management: $2,829,208
[7] Includes Assisted Living, Aged and Disabled, Medically Fragile Children and Traumatic Brain Injury Medicaid Waivers
[8] Nursing Facility daily rate is state-wide weighted average based on percentage of all older adults and persons with disabilities and length of service across all regions of the state (Source: Myers & Stauffer, LC). The state share of Medicaid costs is 37.07%. Federal funding provides the remainder. Cost includes the client pay portion and excludes the Quality Assessment Fee (QAF). For a discussion of the QAF, please see 450 IAC 1-14.6.
[9] Total clients include those who had zero ADLs listed (214) and those who had no ADLs listed in their eligibility information from the INsite system (819) which brings the total to 9,055.
[10] Nursing facility monthly rate calculated as ($daily rate * 30.4167).
[11] Information Source – INsite (Indiana In-Home Services Information System) and MedInsight