



**Department of Disabilities, Aging and Independent
Living**

**Budget Adjustment Act
Choices for Care Testimony
House Appropriations Committee**

Monica Caserta Hutt, Commissioner

Bill Kelly, Chief Financial Officer

Megan Tierney-Ward, Director Adult Services Division

Department of Disabilities, Aging and Independent Living

Review of DAIL SFY 2016 Budget Adjustment

- ❑ Admin Appropriation – no budget adjustment required
- ❑ DAIL Grants Appropriation – no budget adjustment required
- ❑ DBVI Grants Appropriation – no budget adjustment required
- ❑ VR Grants Appropriation – no budget adjustment required
- ❑ DS Grants Appropriation – one budget adjustment item
AHS budget neutral transfer of \$400K gross GC to DCF per their request due to underutilization; budget neutral technical adjustment
- ❑ TBI Waiver Appropriation – no budget adjustment required
- ❑ Choices for Care Waiver - one budget adjustment item
Carry forward funds from SFY15 Closeout to SFY16 - \$2,104,197 Gross GC.



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**DAIL SFY'16 Budget Adjustment for Choices for
Care Carryforward- \$2,104,197 *gross***

\$2,104,197 is the carryforward amount in Choices for Care from SFY'15 into SFY'16 as confirmed by DAIL in conjunction with the Joint Fiscal Office.

The carryforward is defined in the SFY 16 Budget Bill: “Excluding appropriations allocated for acute services, any unexpended and unobligated State General Fund or Special Fund appropriation remaining at the close of a fiscal year shall be carried forward to the next fiscal year”.



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Choices for Care Program “Savings” and the 1% Reserve are also specifically defined in the 2016 Budget Bill:

“..savings means the difference remaining at the conclusion of the fiscal year 2015 between the amount of funds appropriated for Choices for Care, excluding allocations for the provision of acute care services, and the sum of expended and obligated funds, less an amount equal to one percent of the fiscal year 2015 year total Choices for Care expenditure. The one percent shall function as a reserve to be used in the event of a fiscal need to freeze Moderate Needs Group enrollment.”



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Uses and Restrictions on Choices for Care savings as defined in the 2016 Budget Bill:

- **One time investments or used in ways that are sustainable into the future**
- **First priority for the use of savings given to home and community-based services**
- **May also be used for quality improvement purposes in nursing homes (but not to increase rates)**



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Carry Forward and Savings in Choices for Care for SFY 2016

- **Based on the established definitions of carry forward, Choices for Care carried forward \$2,104,197 dollars into SFY 2016**
- **\$1,826,118 was identified as the amount of the required 1% reserve intended to avoid a Moderate Needs Group program freeze**



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Current Choices for Care Expenditures

- Over the course of SFY '14 and '15, DAIL re-invested \$3 million one time dollars into the Choices for Care system for the Moderate Needs Group (MNG). Those dollars were used to increase the MNG enrollment through the Home Health, Area Agencies on Aging and Adult Day Programs.**
- In order to ensure that no individuals currently enrolled in Moderate Needs services were cut, DAIL used \$1,241,748 of the 2016 reserve dollars to support Home Health Agencies, Area Agencies on Aging and Adult Day Programs.**
- For 2016, Choices for Care has a current balance of reserve/carryforward funds of \$862,449 (½ of 1% of the total CFC budget) to address any SFY '16 extreme needs in either the High/Highest Need or Moderate Needs Group.**