State of Illinois
Rod R. Blagojevich, Governor

Illinois Department on Aging
Charles D. Johnson, Director

Older Adult Services Advisory Committee
Finance Work Group

Date: March 3, 2008
Attending: Stephanie Altman (co-chair), Pat Comstock (co-chair), Jeff Turnbull and Barbara Wylie.
IDoA Staff in attendance: Janice Cichowlas.

Benchmarks discussion:

Benchmarks are being developed by the Older Adult Services Act Committee (OASAC) and the Money Follows the Persons (MFP) steering committee. The benchmarks for transforming the system in terms of the percentage of spending is directed to change by 2011 (an increase of 7% on Community Care vs. Nursing Home Care). What is the whole amount that we are looking at? We should determine what was included in the current 30% spending on Community Care. The Illinois Department of Healthcare and Family Services (IDHFS) should meet with the finance committee to walk us through where the 30% came from.

Maggie Crotty had the Olmstead Implementation Act, which was similar to MFP bill. The grid of 30% to 37% came out of IDHFS' proposal to the feds when IDHFS was trying to get the grant approved. Pat has a concern about what the 30% to 37% includes and what part is in Aging's court. Pat doesn't think supportive living facilities (SLFs) were included. The grant was collaborative between IDHFS, Illinois Department of Human Services (IDHS) and the Department on Aging (IDoA). Pat says there was not a dollar figure attributed to the 30%.

The question is what is it 30% of? Is it disability plus aging, Medicaid plus aging?
Does the 30% include state dollars AND federal match?

Which services are included?
Is it Medicaid only?
What is the budget predicated on?
Is it the full dollar or just state part (include federal or not)?
Disabled?
Can aging's part be sectioned out?
How much is the amount of the Aging waiver?

Stephanie will meet with Heather, Pat and Phyllis to draft these questions to send to IDHFS and others.

Do we want two sets of benchmarks, one for the Medicaid population and one for the wider aging services?

There are other benchmarks but this seems to be the only benchmark dealing with finance.

(Continued on next page.)

Pat discussed the Governor's budget in terms of the Nursing Home (NH)Line Item:
FY08 vs. FY09 line item suggests a $350,000,000 cut. That would be a $20/day decrease in NH services to seniors. The difference was made up by three things: 1) $184 mill was over approp in '08 budget to pay down payment cycle but they never did this so they didn't include this in the FY08 budget. The Aging budget is simpler than the convoluted NH budget. On the Long-term Care (nursing homes, IMDDs (not ICFDD), unlike the aging budget where money gets appropriated, the NH line item never gets fully funded. NH is funded for a payment cycle that exceeds 30 days. Last year it was in excess of 77 days. Of the 850 medicaid NH in the state, 150-160 are on expedited payments. They are paid before anyone else gets paid. There are a number of criteria that must be met to qualify for expedited payment. However, the facility must be 80% Medicaid.The average for non-expedited facilities is 170 days.

No checks in Dec or Jan for non-expedited NH. After begging, they got a check in February 2008.
NH industry wants predictability of payments, regardless of whether they are 90 days behind. They just want to get some kind of payment on a regular payment cycle. No other states have this problem with a payment cycle. Pat will circulate a chart about other states. IL is the worst.

2) Medicaid days for NH were lower in FY08 than originally projected thus Medicaid days are down. In the FY09 budget, they budgeted FY08 figures. The way the budget is proposed now, the budget cycle would be lengthened an average payment cycle of 97 days (vs this past year's average of 77 days). Some people will be at 130 days at the long end. It was not a rate increase. There is no rate cut but payment cycle money was cut out since it wasn't used last year.

NH have an automatic 50% match, unlike varying levels with other matches such as with Aging. OF NH focus on rehabs, 40% are discharged within 90 days. This impacts days.

Universal assessment needs to stay with the person until death, and follow them wherever they go so we can follow the clients.

What is average length of time in the facility before they go into Medicaid? It depends on how long they take to spend down their assets. They have to spend their assets down to > $2000. Medicare can be in for 120 max. Average length of stay for non-medicaid is less than 2 years. People are coming into the nursing home more frail and demented. This was driven originally by the cost of LTC. Pat will inquire of the department as to the answer to this question.

HFS is willing to study other exemptions such as a family business exemption like a family farm.

Originally tried to be more ambitious with the bill sponsored by Sara Feigenholtz but it has been amended to just be a study at this point, and spousal provision is not being considered at this time. We are trying to have IL follow federal law and not go further than what federal law says. It's rare that the state recovers anything. The main concern is to encourage people to enroll in medicare savings programs. Dan Likvold, HFS counsel, is most knowledgeable about estate and asset recovery.

HFS has a great pamphlet on state recovery. Stephanie to email it to the group.

A training with the CCUs needs to be done with their case managers so they can better deal with the fear of seniors about signing up for programs. Jody Martin is the primary trainer. The conference next week is the annual recertification conference for case managers. Some will attend the elder abuse conference, the governor's conference, etc. Perhaps a conference call should be scheduled about hardship exemptions, etc., with case managers. THE CCPAC meeting would be a good forum.

Contact Michelle Gentry Wiseman about Case Manager meetings; contact Mary Killough regarding presenting to CCPAC; contact Jody Martin about training to Case Managers.

Kim was willing to facilitate a meeting/phone conference with IDoA. IDHFS should do the training. Contact Barb Ginder or Linda Roars (??) at IDHFS about this. Stephanie to e-mail Kim and Jan.

People with farms are afraid to lose their family farm so they resist signing up for services.