

The Senior Advocate Alert



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March 26, 2010

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~ General Assembly Ends: Core Aging Services Cut ~

Each senator and delegate deserves our thanks for working hard to solve the \$4 billion funding gap that plagued the state budget. While there are many views about the solution, we all must appreciate the General Assembly's public service. The choices were most difficult. Now they must be implemented.

What did the 2010 session mean for Senior Services of Southeastern Virginia? We will experience a 5.9 percent drop in direct service funds and a 10 percent cut in care-coordination funds. We also will have a new opportunity to examine and analyze existing state and national care-coordination models to determine best practice models to improve our service.

The complete listing of aging related budget amendments is at the end of this *Alert*. A full list of aging-related bills can be found at http://www.vaaaa.org/legislative_updates/human-services.php.

The session also taught us a lesson in civics. We learned we were on the right track by creating an Advocacy Committee comprised of several members of Senior Services' board of directors. Committee members visited each senator and delegate in the South Hampton Roads legislative delegation and kept in touch throughout the 2010 session.

We also learned that keeping in touch with legislators needs to be a year-round endeavor and include participation beyond our board members. The Advocacy Committee is working on these ideas, some of which you can read about in the spring edition of *The Senior Advocate*.

More **senior advocates** are needed. A June "Advocacy 101" class is now forming. We are adding more ways for supporters to help advocate on the national level. In this edition of the *Alert* you will see an update concerning the reauthorization of the Older Americans Act at the federal level, including links for more information and for voicing your support.

For now, please write a note of thanks to our General Assembly members.

As always, I look forward to hearing from you.

John N. Skirven, CEO

KEEP THIS LIST OF LEGISLATORS

It's important in any advocacy initiative to keep good relations with elected officials throughout the year. Please keep handy this list of state legislators from South Hampton Roads. If you communicate with them, please remember to be respectful as well as clear in voicing your concerns.

To contact your representative, please go online to <http://leg1.state.va.us/101/mbr/MBR.HTM> and click on the name of your legislator.

Senators

Harry B. Blevins, L. Louise Lucas, Jeffrey L. McWaters, Yvonne B. Miller, Ralph S. Northam, Frederick M. Quayle, Frank W. Wagner

Delegates

Kenneth C. Alexander, William K. Barlow, John A. Cosgrove, Algie T. Howell Jr., Salvatore R. Iaquinto, Matthew James, Johnny S. Joannou, S. Chris Jones, Barry D. Knight, Paula J. Miller, Harry R. Purkey, Lionell Spruill Sr., Chris P. Stolle, Robert Tata, Roslyn C. Tyler, Ron A. Villanueva

COMMUNICATIONS TIP

AARP advises you should HAND WRITE your comments to your elected representatives and send them return-receipt requested or deliver them by hand.

The “Senior Advocacy Moment”

The Reconvened Session or “Veto Session” is scheduled for 4/21/2010

What and when is the Reconvened Session?

Article IV, Section 6 of the [Constitution of Virginia](#) defines the reconvened session as follows:

"The General Assembly shall reconvene on the sixth Wednesday after adjournment of each regular or special session for the purpose of considering bills which may have been returned by the Governor with recommendations for their amendment and bills and items of appropriation bills which may have been returned by the Governor with his objections. No other business shall be considered at a reconvened session. Such reconvened session shall not continue longer than three days unless the session be extended, for a period not exceeding seven additional days, upon the vote of the majority of the members elected to each house."

~ FEDERAL LEGISLATION ~

Since 1965, the Older Americans Act, or OAA, has gained recognition as a unique and highly regarded statute that has stimulated the development of a comprehensive and coordinated service system. This system has contributed greatly to enhancing the lives of older individuals, family caregivers, and persons with disabilities.

The Older Americans Act is due for congressional reauthorization in 2011. The National Association of Area Agencies on Aging, or n4a, along with the federal Administration on Aging (AoA) and other advocates, already is marshaling support for reauthorization and recommendations for changes. AoA has set up a link for direct input via the AoA Web site. Click [here](#).

Also, an OAA Reauthorization Comment Session will be held in Richmond, from 1 to 2 p.m. Wednesday, April 28, sponsored by Virginia's Commonwealth Council on Aging, at the Virginia Department for the Aging, 1610 Forest Ave., Suite 100, in Richmond. For more information about this event, contact Bill Peterson at [\(804\) 662-9325](tel:8046629325) or [Bill.Peterson@vda.virginia](mailto:Bill.Peterson@vda.virginia.gov).

In 2006, the OAA was reauthorized to better meet Congress' vision of offering people greater choice, control and independence as they age by modernizing our country's system of long-term care. Appropriate funding to accomplish these worthy goals has not followed, however. Instead, most OAA programs have effectively been cut and suffered erosion in capacity as federal funding has not kept pace with inflation (e.g., food and fuel costs) or recognized increasing demographic need.

Yet the need for OAA programs among older adults and caregivers cannot be greater during these difficult economic times. There are now more than 39 million Americans over the age of 65, or about 13 percent of the total U.S. population. As additional seniors and caregivers face financial troubles, more will come to need the bedrock programs created by the OAA. Furthermore, investing in OAA programs will save taxpayer dollars by reducing premature or costly Medicaid and Medicare expenditures

The annual appropriations process that determines OAA funding in FY 2011 has just begun. Congress is being asked to commit to a 12 percent increase.

*** For more details about Older Americans Act reauthorization or other advocacy efforts, please e-mail John Skirven at jskirven@ssseva.org. ***

The National Association of Area Agencies on Aging, or n4a, will hold its 16th annual Aging Policy Briefing April 19-20. It concludes with visits to Capitol Hill. Spread over two days, the Aging Policy Briefing offers advocates insight into federal aging policy making, the latest news from the administration and Congress, detailed policy information on many issues, and a special session on health care reform.

Senior Services Advocacy Committee Chair Christine Warfel and CEO John Skirven will be visiting Reps. Randy Forbes, Glenn Nye and Bobby Scott. Advocates from the Virginia Association of Area Agencies on Aging, or v4a, will visit Sens. Jim Webb and Mark Warner.

For more information and registration, please visit www.n4a.org.

Aging Related Introduced Governor's Budget and Conference Report Items to HB29

March 16, 2010

Current Year and Next Biennium Budget Amendment

In September 2009 former Governor Kaine implemented a reductions identified in the 2010 Reduction column in the table below. The \$500,000 reduction or 5.9% decrease in General Funds for Supportive Services category is used by the Area Agencies on Aging to pay for in-home and community based such as transportation, homemaker, personal care, and adult day care. The Respite Care Grant Program was eliminated. Other programs such as the Respite Care Initiative, No Wrong Door, directed appropriations, and VDA admin funds were reduced by 10%. The Administration of the Guardianship Program was reduced by 15%.

In the outgoing budget, former Governor Kaine proposed continuation of these reductions plus an additional reduction of \$233,000 in supportive services, and an additional 5% reduction in the Respite Care Initiative and directed appropriations including SeniorNavigator. The Guardianship program has a proposed reduction of 5% or \$52,500. The General Assembly included these reductions in passage of the appropriation bill.

| Title | 2010 Reduction | Percent | Additional 2011 Reduction | Percent |
|--|--------------------|---------|------------------------------|---------|
| Individual Care Services | 500,000 | 5.9% | 233,686 | 2.8% |
| Care Coordination for Elderly Virginians | 0 | 0.0% | 168,625 | 10.0% |
| No Wrong Door | 47,898 | 10.0% | 0 | 0.0% |
| MEOC PharmacyConnect Program | 26,971 | 10.0% | 13,486 | 5.0% |
| Bay Aging | 6,654 | 10.0% | 3,327 | 5.0% |
| Oxbow Center | 12,655 | 10.0% | 6,328 | 5.0% |
| Norfolk Senior Center | 3,819 | 10.0% | 1,910 | 5.0% |
| Korean Intergen. Senior Center | 950 | 10.0% | 475 | 5.0% |
| Jewish Family Service of Tidewater | 8,338 | 10.0% | 4,169 | 5.0% |
| MEOC Companion Care Program | 6,807 | 10.0% | 3,403 | 5.0% |
| MEOC and Junction Center | 1,891 | 10.0% | 945 | 5.0% |
| Bay Aging | 24,779 | 10.0% | 12,389 | 5.0% |
| Bedford Ride | 6,716 | 10.0% | 3,358 | 5.0% |
| Aging Together Partnership | 8,500 | 10.0% | 4,250 | 5.0% |
| SeniorNavigator | 23,750 | 10.0% | 11,875 | 5.0% |
| Respite Care Initiative | 53,672 | 10.0% | 26,835 | 5.0% |
| VDA Guardianship Program | 0 | 0.0% | 52,500 | 5.0% |
| Respite Care Grant | 270,856 | 100.0% | | |
| Administration and Support | 81,955 | 10.8% | 62,717 | 8.3% |
| Totals | \$1,086,211 | | \$610,278 | |

| Item # | Agcy | Title / Program / Purpose | FY 10-11 | FY 11-12 |
|--------|------|---------------------------|----------|----------|
|--------|------|---------------------------|----------|----------|

| Item # | Agcy | Title / Program / Purpose | FY 10-11 | FY 11-12 |
|--|------|--|----------------|----------------|
| 275 2c | VDA | Reduce Funding for Care Coordination Services by 10% Explanation: This amendment reduces \$168,625 from the general fund each year for care coordination services provided to the elderly. | (\$168,625) GF | (\$168,625) GF |
| HB29 284 1c HB30 275 1c | VDA | Care Coordination for the Elderly Language: The Virginia Department for the Aging, in collaboration with the 18 Area Agencies on Aging (AAAs) that are authorized to use funding for the Care Coordination for Elderly Program, shall examine and analyze existing state and national care coordination models to determine best practice models. Any AAA that receives funding for care coordination may submit a plan describing the model of care coordination to be implemented and shall work with the Department to ensure that the plan embraces best practices, integrates its other service delivery systems and includes sufficient measures for evaluation. The Department and designated AAAs shall determine which models of service delivery are appropriate and demonstrate beneficial use of these funds and develop the accompanying service standards. Explanation: This language amendment requires the Department to work with 18 Area Agencies on Aging that receive funding for care coordination to determine the best models to use in the Commonwealth for care coordination. It allows AAAs to submit a plan describing the model of care coordination to be used and requires them to work with the Department to ensure that the plan embraces best practices, works with other service delivery systems and includes evaluation measures. The Department and designated AAAs are required to determine which models of service delivery are appropriate and demonstrate beneficial use of these funds. | | |

Aging Related Introduced Governor's Budget and Conference Report Items in HB30 Next Biennium FY 11 and FY 12 Budget

| Item # | Agcy | Title / Program / Purpose | FY 10-11 | FY 11-12 |
|--------------|------|--|----------|----------|
| GOV Kaine | VDA | Consumer-Directed Services Language: Area agencies on aging may use general fund moneys for consumer-directed services. | -0- | -0- |

Governor's Budget and Amendments to HB30

| Item # | Agcy | Title / Program / Purpose | FY 10-11 | FY 11-12 |
|-------------------------------|------|--|---|---|
| <u>273 2c</u> | HHR | <p>Report on Local DSS Efficiencies Language: The Secretary of Health and Human Resources, with the cooperation of the Department of Social Services, shall examine options and incentives for workload simplification, structure and efficiencies of the local human services delivery system, which may include public/private partnerships, shared services, and regional services. The Secretary shall communicate his findings to the Governor's Commission on Government Reform and Restructure established by Executive Order 2 (2010) and the Chairmen of the Senate Finance and House Appropriations Committees by October 15, 2010. Explanation: This language amendment requires the Secretary of Health and Human Resources to examine options and incentives for workload efficiencies and report his findings to the Governor's Commission on Government Reform and Restructure and the Chairmen of the Senate Finance and House Appropriations Committees.</p> | -0- | -0- |
| <u>273 3c</u> | HHR | <p>Report on Agency Fund Balances Language: On October 1 of each year, the Secretary of Health and Human Resources shall prepare and submit fund balance statements to the Chairmen of the Senate Finance and House Appropriations Committees for agencies within the secretariat that oversee funds that generate annual revenues in excess of \$1.0 million in the prior fiscal year. At a minimum, the Secretary shall report annual revenues, expenditures, and transfers for each fund subject to this criteria. The Secretary shall consult with the Senate Finance and House Appropriations Committee staff to develop a format to report this information. Explanation: This amendment requires the Secretary of Health and Human Resources to report fund balance information for state agencies within the Secretariat that have funds that exceed annual revenues of \$1.0 million. Last year's budget included \$65.0 million in agency balance transfers. This reporting requirement will allow for better oversight of agency fund balances within Health and Human Resources.</p> | -0- | -0- |
| GOV Kaine | VDH | <p>Office of Licensure and Certification Additional Fee Revenue Proposes supplanting \$400,000 GF in FY 2011 and \$604,415 GF in FY 2012 with increased fees from nursing homes, hospitals, home care centers, and hospices.</p> | (\$400,000) GF | (\$604,415) GF |
| <u>288 5c</u> | VDH | <p>Reduce Funding for Patient Advocate Foundation Explanation: This amendment phases out funding for the Patient Advocate Foundation, a non-state agency that began receiving general fund support in 2008.</p> | \$400,000 NGF (\$95,625) GF | \$604,415 NGF (\$191,250) GF |
| GOV Kaine | DMAS | <p>Medicaid Utilization and Inflation Adds \$277.3 million GF and \$511.4 million NGF in FY 2011 and \$500.4 million GF and \$848.8 million NGF in FY 2012 to fully fund expected increases in enrollment and medical costs for the Medicaid program. In addition, \$80.1 million GF and \$82.1 million NGF is provided to accommodate projected growth in FY 2010. Nongeneral funds are provided through matching federal Medicaid dollars. Annual Medicaid spending has risen substantially from the historic average of 7% to 8% in FY 2009 and 12% in FY 2010. In FY 2011 and FY 2012, projected growth in Medicaid is expected to be 11.4% and 8.1%, respectively. The lengthy economic recession facing the Commonwealth has contributed to most of the recent growth in the program. Population groups that are more sensitive to economic conditions include low-income families with children. Higher payments to managed care organizations are assumed in the Medicaid forecast to accommodate recent enrollment growth and cost increases. In addition, steady enrollment growth is anticipated among low-income aged, blind and disabled individuals served by the program. Finally, the rising cost of health care services, including inpatient and outpatient hospital services, nursing facility services, and Medicare Part B premiums that are paid on behalf of low-income elderly recipients on Medicaid, require additional resources to fund the program's growth.</p> | \$277,347,301GF \$511.374,489 NGF | \$500.386,662 GF \$848,848,024 NGF |

| Item # | Agcy | Title / Program / Purpose | FY 10-11 | FY 11-12 |
|------------------------|------|--|---|--|
| 297 4c | DMAS | <p>Federal Medical Assistance Percentage (FMAP) - Medically Needy Income Limits Language: If there is an extension through June 30, 2011 of increased FMAP under the American Recovery and Reinvestment Act, the reduction in this paragraph shall not become effective and the medically needy income limits will be adjusted to account for changes in the Consumer Price Index. Explanation: This amendment eliminates an automatic inflationary increase in the medically needy income limits the 2nd year. Language is added to restore funding if Congress passes a six-month extension of increased FMAP through June 30, 2011.</p> | -0- | (\$563,081) GF (\$563,081) NGF |
| GOV Kaine | DMAS | <p>Reimbursement Changes for Durable Medical Equipment (DME) Modifying the pricing schedule for incontinence supplies from cases to items to conform with industry standards. Further, proposed language amendments allow DMAS the authority to: (a) modify reimbursement for Durable Medical Equipment for incontinence supplies based on competitive bidding and (b) change the limit on incontinence supplies prior to requiring prior authorization.</p> | (\$1,398,406) GF (\$1,764,693) NGF | (\$1,646,544) GF (\$1,646,544) NGF |
| 297 9c | DMAS | <p>Competitive Bidding of Incontinence Supplies Explanation: This amendment includes an estimate of general fund savings that was not included in the introduced budget the 2nd year for the competitive bidding of incontinence supplies.</p> | -0- | (\$604,784) GF |
| 297 5c | DMAS | <p>Reduce GF Share of Medicare Part D "Clawback" Payment Explanation: This amendment reduces the general fund share of the Commonwealth's required Medicare Part D "Clawback" payment to reflect a recent decision by the federal government to apply the enhanced federal match to the payment. This one-time action results in general fund savings of \$85.7 million in fiscal year 2011.</p> | (\$85,736,111) GF \$85,736,111 NGF | -0- |
| 297 6c | DMAS | <p>FMAP - Environmental Modification and Assistive Technology Language: The Department of Medical Assistance Services shall amend the 1915 (c) home-and-community-based waivers to decrease the annual amount paid for environmental modifications and assistive technology from \$5,000 to \$3,000 in the Individual and Family Developmental Disabilities Supports, Intellectual Disabilities, Technology Assisted and HIV/AIDS waivers. The department shall amend the Children's Mental Health demonstration grant to decrease the annual amount paid for environmental modifications from \$5,000 to \$3,000. The department shall implement this change effective January 1, 2011, and prior to the completion of any regulatory process undertaken in order to effect such change. If there is an extension through June 30, 2011 of increased FMAP under the American Recovery and Reinvestment Act, the reduction in this paragraph in the 1st year shall not become effective. 2. The Department of Medical Assistance Services shall report on utilization and costs of providing environmental modifications and assistive technology in the Medicaid program to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2010. Explanation: This amendment assumes savings by applying new parameters to the use of environmental modifications and assistive technology. Currently, an individual can receive up to \$5,000 for environmental modification and assistive technology. This amendment reduces the limit to \$3,000 per project. Language is added to restore funding the 1st year if Congress passes a six-month extension of increased FMAP through June 30, 2011. Language also provides for a report on the use and cost of the program.</p> | (\$276,385) GF (\$276,385) NGF | (\$625,306) GF (\$625,306) NGF |
| GOV Kaine | DMAS | <p>Additional NGF for Nursing Facility Improvement Grant Program Includes \$250,000 NGF from civil penalties paid by nursing facilities that can only be used for nursing facility improvements according to federal law. Additional funding will be used to fund the Department's grant program to nursing facilities to improve work environments and reduce staff turnover.</p> | \$250,000 NGF | \$250,000 NGF |

| Item # | Agcy | Title / Program / Purpose | FY 10-11 | FY 11-12 |
|----------------|------|--|-----------------------|-----------------------|
| GOV Kaine | DMAS | Maintain Nursing Facility Rates at FY 2010 Level Maintains rates paid for nursing facilities at the same level in affect in FY 2010. This budget action withholds an annual adjustment for inflation and biennial rebasing of the rates paid to nursing homes. | (\$11,154,710) GF | (\$18,327,952) GF |
| | | | (\$14,076,482) NGF | (\$18,327,952) NGF |
| <u>297 20c</u> | DMAS | FMAP - Reduce Nursing Home Rates Language: 1. Effective July 1, 2010, the Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to make the following changes: a. Eliminate the adjustment for inflation of nursing facility and specialized care operating rates for days of service in fiscal year 2011 and fiscal year 2012 and to freeze nursing facility and specialized care ceilings in fiscal year 2011 and fiscal year 2012 at the same level as the ceilings for nursing facilities with fiscal years end of June 30, 2010. b. Further reduce nursing facility direct and indirect care payment rates and specialized care operating rates by 3% below the rates that otherwise would have been in effect after application of paragraph DDD.1.a. in fiscal year 2011 and fiscal year 2012. c. Provide that the floor for the nursing facility fair “rental rate” shall be 8.75% in fiscal year 2011 and 8.5% in fiscal year 2012. 2. The department shall have the authority to implement these reimbursement changes effective July 1, 2010, and prior to the completion of any regulatory process undertaken in order to effect such change. If there is an extension through June 30, 2011 of increased FMAP under the American Recovery and Reinvestment Act, the reductions shall not become effective. Explanation: This amendment replaces language in the introduced budget related to nursing facility reimbursement changes. Language is added to reduce the operating payment rate for nursing homes by 3% each year and capital payments by 0.25% the 1 st year and 0.5% the 2 nd year. Language is added to restore funding for the additional operating and capital rate reductions in both years if Congress passes a six-month extension of enhanced federal Medicaid funding. | (\$12,935,953) GF | (\$16,334,061) GF |
| | | | (\$16,324,289) NGF | (\$16,334,061) NGF |
| GOV Kaine | DMAS | Eliminate Annual Inflation Adjustment for Home Health Agencies Withhold annual inflation rate adjustment | (\$182,916) GF | (\$402,131) GF |
| | | | (\$230,828) NGF | (\$402,131) NGF |
| <u>297 21c</u> | DMAS | FMAP - Reduce Medicaid Practitioner Rates Language: 1. Effective July 1, 2010, the Department shall reduce by 3% rates determined under Resource-Based Relative Value Scale in 12 VAC 30-80-190 at the same time as the annual update. 2. Effective July 1, 2011, the Department shall reduce by 4% rates determined under Resource-Based Relative Value Scale in 12 VAC 30-80-190 at the same time as the annual update, calculated as if the reduction in subparagraph 1 had not been taken. 3. If there is an extension through June 30, 2011 of increased FMAP under the American Recovery and Reinvestment Act, the reduction in this paragraph shall not become effective. Explanation: This amendment reduces funding by 3% the 1 st year and 4% the 2 nd year for physicians and other practitioners delivering Medicaid-funded services. Language is added to restore funding if Congress passes a six-month extension of increased FMAP through June 30, 2011. | (\$8,777,395) GF | (\$14,714,275) GF |
| | | | (\$11,076,456) NGF | (\$14,714,275) NGF |
| GOV Kaine | DMAS | Expand Prior Authorization and Impose Service Limits for Three Dental Services | (\$229,422) GF | (\$241,775) GF |
| | | | (\$290,577) NGF | (\$278,224) |

| Item # | Agcy | Title / Program / Purpose | FY 10-11 | FY 11-12 |
|-------------------------|------|--|---|---|
| 297 22c | DMAS | <p>FMAP - Reduce Dental Services Funding Language: 1. Effective July 1, 2010, the Department of Medical Assistance Services shall reduce the rates for dental services by 3.0%. 2. Effective July 1, 2011, the Department of Medical Assistance Services shall reduce the rates for dental services by 4.0% below the rates in effect on June 30, 2010. 3. If there is an extension through June 30, 2011 of increased FMAP under the American Recovery and Reinvestment Act, the reduction in this paragraph shall not become effective. Explanation: This amendment reduces funding by 3% the 1st year and 4% the 2nd year for dental services funded through Medicaid. Language is added to restore funding if Congress passes a six-month extension of increased FMAP through June 30, 2011.</p> | (\$1,473,404) GF (\$1,859,335) NGF | (\$2,334,840) GF (\$2,334,840) NGF |
| 297 24c | DMAS | <p>FMAP - Reduce Eligibility for the Aged, Blind and Disabled Language: Effective July 1, 2011, the Department shall amend the State Plan for Medical Assistance to reduce the category of eligibility, as described in Section 1902(m) of the Social Security Act (42 USC§1396a(m)), for aged and disabled individuals with income levels to 75% of the federal poverty line. If there is an extension through June 30, 2011 of increased FMAP under the American Recovery and Reinvestment Act, the reduction in this paragraph shall not become effective. Explanation: This amendment reduces income eligibility under Medicaid for the aged, blind and disabled to 75% of poverty in the 2nd year. Currently, aged, blind and disabled individuals are eligible for Medicaid if they have income up to 80% of poverty. Language is added to restore funding if Congress passes a six-month extension of increased FMAP through June 30, 2011.</p> | -0- | (\$36,167,138) GF (\$36,167,138) NGF |
| 297 25c | DMAS | <p>FMAP - Medicaid Impact of Auxiliary Grant Rate Reduction Explanation: This amendment adjusts funding for Medicaid to reflect a 4% rate reduction for auxiliary grant payments in Item 330. Reducing the auxiliary grant payment rate has the effect of reducing enrollment in Medicaid. Language included in Item 330 restores funding for the auxiliary grant rate reduction if Congress passes a six-month extension of increased FMAP through June 30, 2011. If the auxiliary grant rate is restored, it will eliminate this reduction in eligibility.</p> | -0- | (\$623,520) GF (\$623,520) NGF |
| GOV Kaine | DMAS | <p>Reduce Optional Eligibility Income Limits for Long-term Care Services from 300% of (SSI) to 275%. Under current law, certain individuals requiring long-term care services may be eligible for Medicaid services if their monthly income exceeds 300% of the federal Supplemental Security Income (SSI) payment level, equal to \$2,022. This proposal would reduce the eligibility standard from 300 to 275% of SSI or \$1,854 per month on January 1, 2011, resulting in fewer individuals qualifying for Medicaid long-term care services. Proposed federal legislation may extend current maintenance of effort requirements related to eligibility levels for an additional six months. If passed, this budget strategy would likely violate that requirement and would need to be reconsidered.</p> | (\$16,870,746) GF (\$16,870,746) NGF | (\$36,440,811) GF (\$36,440,811) NGF |
| 297 26c | DMAS | <p>FMAP - Reduce Eligibility to 250% of Supplemental Security Income Language: 2. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to reduce the income limit for eligibility under the 300% Supplemental Security Income (SSI) eligibility group to 250% of the SSI payment level. The department shall implement this change effective July 1, 2011. 3. If there is an extension through June 30, 2011 of increased FMAP under the American Recovery and Reinvestment Act, the reduction in income eligibility from 300% to 250% of SSI in this paragraph shall not become effective. Explanation: This amendment further reduces eligibility for the SSI eligibility group from 275 to 250% of SSI. The introduced budget reduces eligibility on January 1, 2011 from 300 to 275% of SSI. Language is added to restore funding if Congress passes a six-month extension of increased FMAP through June 30, 2011.</p> | -0- | (\$36,440,811) GF (\$36,440,811) NGF |

| Item # | Agcy | Title / Program / Purpose | FY 10-11 | FY 11-12 |
|-------------------------|-------|--|---|---|
| GOV Kaine | DMAS | Reduce Provider Rates for Home and Community-Based Waiver Services by 5% Reduces the rates paid to providers of Home and Community-Based Care waiver services by 5% beginning July 1, 2010. Skilled nursing services in the Technology Assisted waiver are exempt from this rate reduction. | (\$18,154,159) GF (\$22,909,309) NGF | (\$17,961,285) GF (\$17,961,285) NGF |
| GOV Kaine | DMAS | Reduce Number of Hours Allowed for Respite Care Reduces the number of hours covered each year for respite care services in the home and community-based care waivers. Respite care services provided in any combined setting are limited to 720 hours per calendar year. This strategy reduces the limit to 240 hours per year, which translates into 30 eight hour days of respite care per year. | (\$5,195,132) GF (\$6,555,902) NGF | (\$21,238,946) GF (\$21,238,946) NGF |
| 297 27c | DMAS | FMAP - Community-Based Medicaid Waiver Programs Language: If there is an extension through June 30, 2011 of increased FMAP under the American Recovery and Reinvestment Act, the reductions shall not become effective. Explanation: The introduced budget included several reductions to Medicaid home- and community-based waiver services including a 5% reduction in provider rates, a reduction of respite care from 720 to 240 hours per year, and a freeze on the reallocation of community-based waiver slots. This amendment restores funding for these Medicaid home- and community-based waiver services if Congress passes a six-month extension of increased FMAP through June 30, 2011. | -0- | -0- |
| GOV Kaine | DMAS | Freeze Enrollment in the Home and Community-Based Care Waivers Beginning January 1, 2011 Captures the savings from freezing enrollment in five of the Home and Community-Based Care (HSBC) waivers beginning January 1, 2011 and expiring on January 1, 2012. As a result after someone leaves the waiver, their slot will not be filled until the enrollment freeze ends. The HIV/AIDS and the Technology Assisted waivers are not included in the freeze. The waiver freeze may not take place if the federal government takes action to extend the Medicaid federal stimulus relief to states beyond the December 31, 2010 expiration date. Additional federal stimulus dollars, if made available, could be used to reverse this action. | (\$3,745,802) GF (\$3,745,802) NGF | (\$13,310,010) GF (\$13,310,010) NGF |
| 297 38c | DMAS | Limit Money Follows the Person Waiver Slots Explanation: This technical amendment limits the number of Money Follows the Person (MFP) Medicaid waiver slots created each year. Currently, the budget provides for 15 Developmental Disabilities (DD) and 110 Intellectual Disabilities (ID) waiver slots to be created each year. This change provides that up to 15 DD and up to 110 ID waivers slots will be created each year. The purpose of this amendment is to ensure that any waiver slots not needed by the MFP program are not created, which would require funding after the expiration of the MFP program. | -0- | -0- |
| GOV Kaine | DRS | Reduce Centers for Independent Living Part C Funds Reduces Independent Living Part C funding by 5% in 2012. | -0- | (\$232,139) GF |
| 320 2c | DRS | FMAP - Reduce Funding for Centers for Independent Living Language: If there is an extension through June 30, 2011 of increased FMAP under the American Recovery and Reinvestment Act, the reduction in the 1 st year in this paragraph shall not become effective. Explanation: This amendment reduces funding for Centers for Independent Living (CILs) by \$469,454 the 1 st year and \$234,727 the 2 nd year for a 10% reduction in funding. The introduced budget reduced funding by \$232,139 or 5% in the 2 nd year, however, budget language was not adjusted to reflect that budget proposal. This amendment also corrects that error the 2 nd year in budget language. Language is added to restore funding in the 1 st year if Congress passes a six-month extension of increased FMAP through June 30, 2011. | (\$469,454) GF | (\$234,727) GF |
| GOV Kaine | DBHDS | Transfer Guardianship Funds from Community Services Boards to Central Office Transfers \$1,050,148 in general funds used for guardianship services from the community services boards to the central office. This is a sum zero transfer which moves the funds into proper program for expenditure. | -0- | -0- |

| Item # | Agcy | Title / Program / Purpose | FY 10-11 | FY 11-12 |
|------------------------|------|--|---|--|
| GOV Kaine | DSS | Capture Anticipated Balances in the Auxiliary Grant Program Captures the anticipated general fund surplus in the Auxiliary Grant Program. Based on recent projections, this program is expected to under-expend its FY 2010 appropriation by approximately \$400,000. | (\$400,000) GF | (\$400,000) GF |
| 330 1c | DSS | FMAP - Reduce Auxiliary Grant Payments Language: 4. Effective July 1, 2011, the Department of Social Services shall reduce the base approved licensed assisted living facility rates for individual facilities on an occupancy rate of 85% of licensed capacity by 4%. If there is an extension through June 30, 2011 of increased FMAP under the American Recovery and Reinvestment Act, the reduction in this paragraph shall not become effective. Explanation: This amendment reduces the rates paid to assisted living facilities under the auxiliary grant program by 4% the 2 nd year. A companion amendment to Item 297 reduces funding in Medicaid based on this provider rate reduction which has the effect of reducing eligibility in Medicaid. Language is added to restore funding if Congress passes a six-month extension of increased FMAP through June 30, 2011. | -0- | (\$2,413,152) GF |
| 330 2c | DSS | FMAP - Chore and Companion Services Language: 2. If there is an extension through June 30, 2011 of increased FMAP under the American Recovery and Reinvestment Act, the reduction of \$1,000,000 from nongeneral funds the 1 st year in this paragraph shall not become effective. Explanation: This amendment reduces funding by \$1.0 million each year for chore and companion services provided through the Social Services Block Grant. A companion amendment transfers these funds to Item 331, Child Welfare Services, supplanting general fund dollars in that item. The amendment adds language to restore funding the 1 st year if Congress passes a six-month extension of increased FMAP through June 30, 2011. | (\$1,000,000) NGF | (\$1,000,000) NGF |
| GOV Kaine | DSS | Reduce the Local Employee Training Contract with Virginia Commonwealth University by 50% Reduces local employee training contract. The Department of Social Services funds a social services training unit at Virginia Commonwealth University named Virginia Institute for Social Services Training (VISSTA) to provide training to local department employees. This savings strategy will decrease the contract amount by 50% which will cause similar decreases in VISSTA staff and the number of training sessions available to local employees. | (\$1,400,000) GF (\$1,700,000) NGF | (\$1,400,000) GF (\$1,700,000) NGF |
| GOV Kaine | DMAS | Assisted Living Payment Program Eliminate the Assisted Living Payment Program that provides \$3.00 and \$6.00 per day increase for non-Medicaid recipients based on the intensity of services on July 1, 2010 (in September 2009, an adjustment was made to reflect lower spending in the program)". The amount of the reduction in FY 2010 was \$350,000. | (\$1,461,478) | (\$1,461,846) |
| GOV Kaine | DSS | Other Purchased Services Other purchased services are used to protect abused, neglected, or exploited adults and children. Approximately 65% of the funds are used for supplemental adult chore and companion services. Services can include temporary out-of-home accommodations for adults who are unsafe at home; re-connection of utilities; food and other essential goods when financial abuse has left the adult without resources; adult day services; adult developmental day services; employment services; transportation; legal services; nutrition services; counseling; and substance abuse treatment. | (\$800,000) GF | (\$800,000) GF |

| Item # | Agcy | Title / Program / Purpose | FY 10-11 | FY 11-12 |
|------------------------|------|--|---------------------|------------------|
| 330 3c | DSS | FMAP - Other Purchased Services Language: If there is an extension through June 30, 2011 of increased Federal Medical Assistance Percentage under the American Recovery and Reinvestment Act, the reduction of \$1,000,000 from general funds the first year in this item shall not become effective. Explanation: This amendment reduces funding by \$1.0 million each year for social services purchased through local departments of social services, termed “other purchased services.” The amendment adds language to restore funding the first year if Congress passes a six-month extension of increased Federal Medical Assistance Percentage (FMAP) through June 30, 2011. These two actions decrease total Other Purchased Services by 50%. | (\$1,000,000) GF | (\$1,000,000) GF |
| 381 1c | DCJS | Law Enforcement and First Responder Alzheimer's Training Explanation: This amendment eliminates \$50,000 each year from the general fund for training of law enforcement officers and other first responders in managing persons with Alzheimer's disease or other memory-related impairments. | (\$50,000) GF | (\$50,000) GF |

Former Governor Kaine implemented two budget reductions in September 2009 that continued into the next biennium:

- \$700,000 in FY 2010 for chore and companion services provided to low-income, homebound elderly through local departments of social services. This represents a 10% reduction in funding, which continues in FY 2011 and FY 2012;
- \$400,000 in FY 2010 in reduced support for a variety of social services provided through local departments of social services, termed “other purchased services,” w