REPORT OF THE
SECRETARY OF HEALTH AND HUMAN RESOURCES ON

Long-Term Care and Aging Services

TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA

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REPORT OF THE SECRETARY OF HEALTH AND HUMAN RESOURCES
LONG-TERM CARE AND AGING SERVICES

PREFACE

House Joint Resolution (HJR) 603 of the 1993 Session of the General Assembly directed the Secretary of Health and Human Resources to develop a plan to restructure and consolidate all aging and long-term care programs. To ensure that the plan had the input and guidance of major stakeholders, the Long-term Care and Aging Task Force was appointed. The report which follows reflects the deliberations of the Task Force.

The Task Force report sets forth a plan to consolidate long-term care and aging functions from four state agencies into a restructured agency which would be responsible for the planning, administration, management, development, regulation, and funding of long-term care and aging services. The report also discusses local level systems development and recommends the creation of an advisory group to assist in the further development of local long-term care and aging delivery systems.

I support the recommendations of the Task Force and am hopeful you will act favorably on them. The Task Force report has been presented to the Joint Commission on Health Care. The Joint Commission will likely play a lead role in deciding how the recommendations in the report should be acted upon.

A vision for the future of long-term care and aging services in the Commonwealth is before you. I urge you to not delay in acting on the recommendations of the Task Force. Implementation of the recommendations will provide the opportunity for the efficient and effective development and management of a system of long-term care and aging services to better meet the current and future needs of the citizens of the Commonwealth.

Howard M. Cullum
Secretary of Health and Human Resources

December 28, 1993

LONG-TERM CARE AND AGING SERVICES

Report of the Long-Term Care and Aging Task Force

Presented to
Howard M. Cullum
Secretary of Health and Human Resources

October 1, 1993

LONG-TERM CARE AND AGING SERVICES

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LONG-TERM CARE AND AGING SERVICES

Executive Summary

In 1993 the General Assembly passed House Joint Resolution No. 603 requiring the Secretary of Health and Human Resources to develop a plan to restructure and consolidate all aging and long- term care programs. To ensure that the plan has the input and guidance of major stakeholders, the Secretary appointed the Long-Term Care and Aging Task Force. The Task Force is composed of individuals and persons representing organizations with an interest in aging and long-term care services. The report which follows reflects the deliberations of the Task Force itself and the work of its three subcommittees-- State, Local, Services/Linkages/Public-Private. The Task Force also gave consideration to comments received at its public forums for input before the deliberations began and at public hearings on the draft plan. Information received from state agencies and other sources was also considered.

The report sets forth a plan to consolidate long-term care and aging functions from four state agencies into a restructured agency which would be responsible for the planning, administration, management, development, regulation, and funding of long-term care and aging services. These functions are currently carried out across four agencies, and the consolidation would offer the opportunity to provide for the efficient and effective development and management of a system of long-term care and aging services. Such a system would offer the Commonwealth an opportunity to plan and respond to current and future needs of the citizens of the Commonwealth.

The report also discusses local level systems development and recommends the creation of an advisory group to assist in the further development of local level systems. Such an advisory group would be made up of representatives of local government, providers of services, and consumers. Included also are sections on issues to be considered in the development of local level long-term care systems and in the implementation of the state level consolidation.

The Task Force also suggested that the Commonwealth's long-term care and aging services be focused on the client with the goal of providing maximum independence for the longest possible time. Individual choice in the selection and provision of long-term care services should be stressed. A broad array of services is encouraged with communities selecting services needed in their specific areas from three categories: home-based services, community-based services, and residential services.

State Level Responsibilities

Recommendation One:

A consolidated and restructured state-level long-term care and aging agency should be established and operational by January 1, 1995.

The following programs, services, and functions were identified by the Task Force to be included in the consolidated agency:

From the Department for the Aging:
- All programs, services, and functions, including:
  - the Long-Term Care Ombudsman Program
  - in-home and adult day care services
  - home delivered and congregate meals
  - respite care
  - elder rights, including guardianship
  - transportation

From the Department of Medical Assistance Services:
- Nursing home and home health provider rate setting, audit, and cost settlement (including provider appeals)
- Long-term care information management support
- Quality care assurance including:
  - home and community-based care waiver administration
  - home health utilization review
  - hospice program administration
  - nursing home patient class validation and utilization review
  - long-term care service pre-authorization
  - nursing home pre-admission screening

From the Department of Social Services:
- Adult Services
- Adult Protective Services, including guardianship
- Auxiliary Grant payments
- Central/regional office administration of Adult Services, Medicaid and the Auxiliary Grants Program
- Licensing of homes for adults (adult care residences) and adult day care providers

From the Department of Health:

Licensing and certification of nursing homes and home health providers
Nursing home pre-admission screening

Recommendation Two:

The consolidated agency should be served by a policy board comprised of citizens, consumers, providers and other persons with expertise or interest in long-term care and aging services.

The Task Force was concerned that the board which governs the agency be a policy-making board with authority to influence the administering agency, and that it be composed of citizens and consumers who were knowledgeable about long-term care. The Task Force urged that statutory language ensure consumer representation. The board should be comprised of persons from various geographic areas, and should clearly represent rural, as well as urban and suburban areas.

The policy board should be appointed on July 1, 1994, along with the new director of the agency, so planning for full implementation at the state and local level can begin.

Recommendation Three:

The long-term care system should serve individuals of all ages needing long-term care services.

Long-term care services are needed by persons of all ages. However, the Long-Term Care and Aging Task Force's primary focus has been on older persons, as mandated by HJR 603. Younger persons receiving long-term care services in nursing homes, homes for adults, and through the Medicaid-funded home- and community-based waiver programs for the elderly and disabled have also been included in the Task Force's discussion. Programs at the Department of Medical Assistance Services which serve the younger disabled and adult programs and at the Department of Social Services which serve all adults are included in the consolidation. The Task Force recognized that younger persons need long-term care services and views the consideration of the inclusion of persons who are younger and disabled as critical to the effective and efficient delivery of long-term care services. The Task Force recognized that these needs for long-term care were beyond its charge and urges that the General Assembly give consideration to the long-term care needs of all Virginians.

Recommendation Four:

The Task Force endorses the use of the Uniform Assessment Instrument (UAI) and recommends the development of a "short form" of the UAI for use when appropriate.

Standardization in assessing need for services will facilitate equitable distribution of resources. The Uniform Assessment Instrument (UAI) provides an opportunity for standardization of assessment. The UAI was developed as a component of the Case Management for Elderly Virginians Pilot Project and currently is being revised for application to all publicly funded long-term care services. The UAI provides a mechanism to complete a comprehensive review of an individual's needs and resources. The UAI does not need to be completed for all individuals seeking long-term care services. Therefore, the Task Force supports the development of a "short form" for those situations when a comprehensive assessment is not needed, but urges that criteria also be developed to ensure appropriate use of the "short form."

Local Level Responsibilities

Recommendation Five:

The state entity should establish a local implementation planning group in July 1994 to begin to consider the issues related to local service delivery. The local long-term care and aging services delivery system should be established and operational as soon as possible and no later than January 1, 1998.

The Task Force recognized the need to acknowledge the diversity across Virginia in delivering long-term care and aging services. There was consensus that local flexibility in administration and delivery of services was required at the local level but that guidance about expectations for statewide service delivery needed to be given. The Task Force agreed on principles for local level responsibilities and a list of such responsibilities. The Task Force also identified issues for consideration as the local level delivery system is further developed. The Task Force indicated that additional time was needed to allow a full discussion of issues and to offer detailed recommendations for improving the local delivery system.

LONG-TERM CARE AND AGING SERVICES

I. INTRODUCTION

In 1993 the General Assembly passed House Joint Resolution No. 603 which required the Secretary of Health and Human Resources to develop a plan to restructure and consolidate all aging and long term care programs. The legislature requested that the Secretary look at programs administered by the Department for the Aging, the Department of Health, the Department of Medical Assistance Services, and the Department of Social Services. The resolution is as follows:

House Joint Resolution No. 603 (1993 Session)

WHEREAS, the Commonwealth's elderly often have problems obtaining necessary health and social services because of fragmented responsibilities among state and local agencies, each with varying responsibilities, application procedures and definitions; and

WHEREAS, this fragmentation creates difficulties in coordinating the timing, availability, and appropriateness of services for the elderly; and

WHEREAS, one of the most serious public policy issue confronting the Commonwealth is the financing of the health care industry; and

WHEREAS, the cost of long-term care service will continue to escalate as the number of elderly citizens increases rapidly through the first half of the 21st century; and

WHEREAS, in the 1992 fiscal year, the Commonwealth invested more than $240 million in general funds for publicly funded long-term care services; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring That the Secretary of Health and Human Resources be requested to appoint a task force composed of representatives of the appropriate state agencies, local health and social service agencies, area agencies on aging, appropriate consumer and advocacy groups and provider representatives to develop a plan to restructure and consolidate Virginia's agement of long-term care services for the elderly; and be it

RESOLVED FURTHER, That all aging, and long-term care planning, financing and service programs administered by the Department of Medical Assistance Services, the Department of Social Services, the Department for the Aging and the Department of Health be evaluated to determine a plan to restructure and consolidate services for the elderly. The plan shall also address the training and the coordination and collaboration among agencies that administer long-term care services and delivery at the local level for the elderly. The Secretary shall solicit public comment on the implementation of such plan prior to presenting it to the Joint Commission on Health Care on October 1, 1993.

The task force shall complete its work in time to submit its findings and recommendations to the Governor and the 1994 General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

To ensure that the plan has the advice and guidance of major stakeholders, the Secretary appointed the Task Force on Long-Term Care and Aging. The Task Force is composed of individuals and persons representing organizations with an interest in aging and long-term care. (See Appendix I for a listing of Task Force members.) Public

forums in six locations across the state were held to receive comments on the issues the Task Force should consider. A report was prepared; 1500 copies were distributed. Public hearings on the report were again held across the state. This report reflects the work of the Task Force, which assessed and incorporated comments received in the forums and public hearings and information received from state agencies and other sources.

The process followed by the Task Force included review of the findings from the public hearings and establishment of guiding principles for its work. It then divided into subcommittees--State, Local, and Services/Linkages/Public-Private--for consideration of the issues. The report which follows considers the deliberations of the Task Force itself and the work of its three subcommittees and represents the majority views of the Task Force. It should also be noted that the Task Force, as mandated by HJR 603, focused primarily on the elderly, while recognizing that persons who are younger and disabled also have long-term care needs that will require consideration in the future.

II. BACKGROUND AND NEED

In 1990 the interim report of the Joint Subcommittee on Health Care for All Virginians outlined the following as problems in Virginia's long-term care system:

- a lack of strong leadership at the state level to coordinate services among the state agencies;
- a fragmented service delivery system at the local level in most localities; and
- an inadequate supply of community services.

Concurrently, at the federal level and across the country, the focus on institutional/residential services as the primary vehicle for long-term care services was changing. There was a growing consensus that long-term care services needed to include not only institutional services, which are primarily medically based, but also home- and community-based services which focus on the individual's ability to live in his/her own home or community. Services are seen as needing to be more socially oriented, and a critical component is providing choices for the individual. Federal, state and local officials also recognize that substantial sums of money are being spent on a system which meets neither the needs nor the wishes of most consumers.

The need to end the institutional bias in long-term care has previously been reflected

in a number of efforts funded by the federal government, including the long-term care Channeling Demonstration grants which substitute case-managed home care for institutional care and the Medicaid waivers which permit the use of Medicaid funds for home- and community-based care. Even broader expansions of the federal role in supporting home- and community-based care can be anticipated with the upcoming health care reform and a variety of long-term care proposals being considered by Congress.

Driven by the rapidly growing elderly population and an ever expanding, expensive institutionally based system, the Joint Commission on Health Care with the support of the General Assembly directed that the Commonwealth begin to look at the future of long-term care and aging services and the way those services should be delivered. Long-term care has become the fastest growing component of the health care industry because of better medical technology and changes in population demographics, longevity, and morbidity.

The cost of long-term care services will continue to increase with or without a change in the current organization and delivery of long-term care services. According to U.S. Census figures, Virginia experienced a 55.3 percent increase in its nursing home population from 1980 to 1990. Projections for growth of the elderly population for the Commonwealth indicate that the number of older persons will continue to grow. From 1990 to 2010 the numbers of elderly will increase approximately 27 percent for persons age 65 to 74; 38 percent for persons age 75 to 84; and 97 percent for persons over 85.

Shifts in the population's age distribution will have important implications for the financing of all human services and will create a political imperative for change in the planning, management, financing, and delivery of long-term care services. Because the shift is imminent, it is important to begin planning now for restructuring before Virginia's service and financing structure is overwhelmed by the demographic and sociological changes which will occur.

It should be noted that the majority of the elderly are cared for by family. The National Council on Aging reports that 2.7 million adult children are caregivers for their parents. Most of the caregivers are women who are, because of social and economic changes, more likely than ever to be employed outside the home. Because of these societal changes, many families, therefore, are prevented from caring for family members or may need help to maintain or assume care for the elderly in their own homes.

In Many ways, the long-term care needs of the elderly are more social than medical. An administrative mechanism to assess care needs, to link people to services, and to

control unnecessary costs is needed. Two other resolutions passed by the 1993 General Assembly reflect an awareness of these issues. House Joint Resolution No. 601 requires the development and implementation of a statewide comprehensive case management system for long-term care. House Joint Resolution No. 602 establishes a long-term care policy for the Commonwealth which reflects the need for additional community-based services, support for families and other informal caregivers, and maximum independence and choice for consumers. (See Appendix II for copies of these two resolutions.)

III. CURRENT SYSTEM AND FUNDING

Description of the Current System

At the federal, state, and local level there is a complicated and overlapping array of financing and service programs for long-term care. In Virginia, four state agencies--the Department of Medical Assistance Services, the Department for the Aging, the Department of Social Services, and the Department of Health--have a role in long-term care. At the community level, there are numerous local entities--area agencies on aging, health departments, social service agencies--as well as private and private nonprofit agencies which deliver services and play a role in managing the system. (See Appendix III for a description and listing of current system of agencies and services.) Although the focus of the Task Force as requested by HJR 603 was on these four agencies, other agencies such as the Department of Mental Health, Mental Retardation and Substance Abuse also play a role in providing long-term care services to various groups.

Approximately half of the long term care costs are paid for by consumers and their families. Medicaid pays the majority of publicly funded costs for long-term care services. The Commonwealth pays one half of the cost of Medicaid in addition to varying degrees of support for other long-term care services. In addition to Medicaid, other major federal funding sources are the Older Americans Act and the Social Services Block Grant. The chart below depicts money that is budgeted for long-term care and aging services in Fiscal Year '94 by the four agencies involved in long-term care. It includes the areas considered for restructuring.

Long-Term Care and Aging Funding for FY'94
(in Millions)

Department for the Aging	$ 25.3
Department of Social Services	41.8
Department of Medical Assistance Services	466.5
Department of Health	4.3
Total	$ 537.9

The chart above includes funding for both administrative and service costs. See Appendix IV for detailed information on funding budgeted for these agencies. Additional funding sources include Medicare, Veterans Affairs, and long-term care insurance.

IV. FINDINGS FROM THE PUBLIC FORUMS AND HEARINGS

Approximately 800 persons attended public forums and subsequent public hearings held by the Task Force across the state. Persons in attendance represented local governments, departments of health and social services, community services boards, and area agencies on aging, as well as consumers, caregivers, and family members. General comments from both forums and hearings are summarized by topic below.

State Level Restructuring

- support for more consistency across long-term care programs
- general support for state restructuring/government streamlining
- include licensing of homes for adults and nursing homes
- include housing in the state level planning
- offer leadership for training of all providers
- include regulation/licensing of home care providers
- minimize duplicative investigations and reporting
- include Department of Mental Health, Mental Retardation and Substance Abuse Services
- assess costs and potential savings

Local Impact/Options

- desire for local flexibility
- need for a continuum of long term care services in each locality
- support for a "phased-in" approach
- financial flexibility at the local level
- need to examine local fiscal ramifications
- no cost shifting to localities

Impact on Consumers/Caregivers

- support for sliding fee scale and inclusion of those who can pay
- responsive system which allows local flexibility to meet consumer needs in a more streamlined manner
- involvement of consumers in planning of restructuring

Delivery of Services

- need for core services
- use Uniform Assessment Instrument for services
- need for single point of entry
- consider housing and transportation
- need uniform definitions and consistent eligibility
- need respite care and adult day care

Public/Private Relationships

- include tax incentives for providers to give care to indigent
- use private providers for chore and companion/home care
- stress "creative" partnerships with private sector
- look for linkages with long-term care insurance

Funding

- flexibility in use of funding at the local level
- statewide "gap filling" funds needed
- no cost shifting to localities
- insure that new consolidated structure requires no additional administrative funding

V. DEFINITION AND GUIDING PRINCIPLES

Definition

The Task Force adopted the following definition of long-term care:

> Long-term care is the system of policies and programs that provides social, health and related supportive services to individuals of all ages who are limited in their ability to function over an extended period of time.

As directed by HJR 603, the Task Force focused on those persons age 60 or above as its primary target population. The Task Force recognized that persons who are younger and disabled also need long-term care that will require consideration in the future.

Guiding Principles

The Task Force also adopted the following guiding principles to provide a framework for its work and for the proposed further development of long-term care services in Virginia.

A long-term care system should:

Be directed toward individuals of all ages;

Focus on the client with the goal of providing maximum independence and allowing individual choice in the selection and provision of long-term care services;

Promote and preserve personal dignity, individuality, privacy, the right to make choices, and the right to a decent quality of life;

Support the family and informal caregivers as the primary source of care and assist, not replace, the current informal caregivers;

Provide preventive services;

Ensure the availability to all Virginians of a continuum of care through a comprehensive network of in-home, community- based and residential services which are responsive to the

unique need(s) of individuals;

Ensure affordable, available quality care;

Support local flexibility and geographic diversity as well as cultural, racial, and gender diversity;

Encourage public/private partnerships;

Serve all income levels with the use of a sliding fee scale for those who can pay some or all of the costs of services; and

Ensure that priority for Virginia's long-term care and aging programs and policies target persons with the greatest economic and functional need.

Administrative Principles

In order to envision and guide the future of long-term care and aging services and provide the infrastructure to accomplish the efficient and effective delivery of those services, the Task Force adopted administrative principles.

A long-term care and aging system should:

Consolidate State level management, planning, and financing;

Simplify administration at the state and local level with a locus of accountability;

Keep administrative costs low;

Maintain financial flexibility at the local level;

Be phased-in to ensure orderly development;

Provide uniformity in policy, definition, and service delivery in all long-term care services;

Provide a uniform case management definition;

Ensure the availability of comprehensive case planning and management including a client assessment for individuals with multiple needs;

Require screening for appropriate level and setting for care;

Implement reimbursement policies that support goals;

Require an evaluation component to assess quality, effectiveness, cost, and change in long-term care outcomes to include resource allocation, client level data, and other management information;

Require a state plan for long-term care;

Not shift costs to localities;

Promote cost containment mechanisms; and

Provide reasonable payment to providers of long-term care services.

VI. STATE LEVEL RESPONSIBILITIES

Currently, the planning, administration, management, development, regulation and funding of long-term care and aging services is the responsibility of, at least, four state agencies. The Task Force recognized Virginia's increasing aging population, changing family structures, and improved medical technology which increases longevity and therefore increases the demand for long-term care services. The Task Force concluded that consolidation of the long-term care functions of the four state agencies provides the capacity to plan and respond to future needs. Currently, implementing changes in long-term care can be difficult because it requires the action and support of multiple agencies. Consolidation and restructuring will provide for the development of a unified mission and consistent goals for long-term care and aging services. Uniformity of guiding principles and philosophy will guide the administration, management, development and funding of long-term care services in a restructured, unified agency.

Goals of Consolidating State Agency Functions

The Task Force established the following goals for consolidating state agency functions:

- consolidate the administration, planning, management, regulation and funding of state long-term care and aging programs;
- ensure state level authority and accountability;
- further the development of a full array of affordable, high quality home-based, community-based and residential services;

- provide publicly funded long-term care services in each locality to include in-home, community-based, residential services, protection, public education, and preventive care;

- develop and implement a uniform assessment process to ensure individuals receive services most appropriate to their needs;

- effectively plan for nursing homes, adult care residences and other residential settings to meet the needs of the population;

- allow the state to maximize funding for service delivery and opportunities for cost containment;

- maximize the use of state and federal funding to expand home and community-based services;

- encourage the development of public/private relationships;

- provide adequate regulatory oversight of providers to ensure the delivery of quality services; and

- promote public understanding of long-term care and aging issues and services.

Responsibilities and Functions of State Government

Administering a statewide system of long-term care and aging policies and programs is the responsibility of state government. The Task Force identified the following functions and responsibilities to be contained in a consolidated agency.

Ensure the availability of affordable, high quality services by:

- establishing provider and service standards;
- promulgating regulations, licensing providers and enforcing standards; and
- assuring the administration of a certificate of public need program.

Develop policy, including:

- provider and service standards, such as credentialing and training;
- standards for client assessment and case management; and
- standards for staff and provider training.

Provide protection, advocacy, public education, and consumer information, including a grievance system which provides for complaint handling and resolution and a

consumer appeals process for eligibility for services.

Maintain demographic and service utilization information for planning and program development and for consumer and local government use.

Conduct planning and research for program development, including facilitating the development of appropriate manpower.

Evaluate the effectiveness of programs, including impact on consumers.

Finance programs and services, including managing payment systems, providing reimbursement, and budgeting.

Provide training and staff development for staff and training and technical assistance for providers.

Recommended Programs, Services, and Functions of the Consolidated Agency

Recommendation One:

A consolidated and restructured state-level long-term care and aging agency should be established by January 1, 1995.

The consolidation of state agency functions should allow the state to maximize funding for service delivery and opportunities for cost containment. Through consolidated administration, planning, management, regulation, and funding of long-term care and aging programs, there should exist an opportunity for providing a full array of services, most appropriate to the needs of the people, while controlling the rate of growth of costs. The consolidated agency should foster an environment that encourages and offers incentives for cost containment for the public and private aspects of the long-term care system.

The following programs, services, and functions were identified by the Task Force to be included in the consolidated agency.

<u>From the Department for the Aging (VDA):</u>

- All programs, services,and functions, including:
  - the Long-Term Care Ombudsman Program
  - in-home and adult day care services
  - home delivered and congregate meals
  - respite care elder rights, including guardianship
  - transportation

From the Department of Medical Assistance Services (DMAS):

- Nursing home and home health provider rate setting, audit, and cost settlement (including provider appeals)

- Long-term care information management support

- Quality care assurance including:
  - home-and community-based care waiver administration
  - home health utilization review
  - hospice program administration
  - nursing home patient class validation and utilization review
  - long-term care service pre-authorization
  - nursing home pre-admission screening

From the Department of Social Services:

- Adult Services
- Adult Protective Services, including guardianship
- Auxiliary Grant payments
- Central/regional office administration of Adult Services, Adult Protective Services, Medicaid and the Auxiliary Grants Program
- Licensing of homes for adults (adult care residences) and adult day care providers

From the Department of Health:

- Licensing and certification of nursing homes and home health providers
- Nursing home preadmission screening

Such a state structure would:

- identify one entity as accountable for long-term care and aging policy and programs;

- provide centralized control over the budget process for multiple funding streams;

- ensure coordination in program development and implementation;

- integrate licensing/certification and resource development with program development and funding, including:

- bringing together two rate setting teams from the Department of Medical Assistance Services and Department of Social Services, and

- developing compatible regulations between adult care residences and nursing homes;

- retain and continue to emphasize current programs of the Virginia Department for the Aging which are not long-term care but which provide services to older Virginians and their families, including, but not limited to, information and referral, emergency services, congregate meals, respite care, legal services, residential repair and renovation, transportation;

- co-locate many programs and functions and integrate service delivery functions which may have been confusing and duplicative, including:

  - Adult Protective Services and Long-Term Care Ombudsman programs,
  - Department of Social Services and Virginia Department for the Aging funded in-home services, and the Medicaid personal care program;

- facilitate the development of uniform policy and definitions for programs;

- develop long-term care expertise;

- manage growth by controlling and targeting funding;

- maximize funding for service delivery; and

- assume state responsibility for developing needed programs, such as guardianship.

Recommendation Two:

The consolidated agency should be served by a policy board comprised of citizens, consumers, providers and other persons with expertise or interest in long-term care and aging services.

The Task Force was concerned that the board which governs the agency be a policy-making board with authority to influence the administering agency, and that it be composed of citizens and consumers who are knowledgeable about long-term care. The Task Force urged that statutory language ensure a significant number of consumers be on the board. The board

should be comprised of persons from various geographic areas, and should clearly represent rural, as well as urban and suburban areas.

The Task Force urges the new policy board to consider developing a mechanism which allows for local and regional input of consumers and advocates to the state-level policy Board and utilizes external expertise as appropriate. The Task Force recognizes the contributions of existing boards and committees at the state and local level to the development of the long-term care and aging system and encourages their continued interest and input into the development of the system in the Commonwealth.

Recommendation Three:

The long-term care system should include individuals of all ages needing long-term care services.

Long-term care services are needed by persons of all ages. However, the Long-Term Care and Aging Task Force's primary focus has been on older persons, as mandated by HJR 603. Younger persons receiving long-term care services in nursing homes, homes for adults, and through the Medicaid-funded home- and community-based waiver programs for the elderly and disabled have also been included in the Task Force's discussion. Programs at the Department of Medical Assistance Services which serve the younger disabled and adult programs at the Department of Social Services which serve all adults are included in the consolidation. The Task Force recognized that younger persons need long-term care services and views the consideration of the inclusion of persons who are younger and disabled as critical to the efficient and effective delivery of long-term care services. The Task Force recognized that these needs for long-term care were beyond its charge and urges that the General Assembly give consideration to the long-term care needs of all Virginians.

Recommendation Four:

The Task Force endorses the use of the Uniform Assessment Instrument (UAI) and recommends the development of a "short form" of the UAI for use when appropriate.

Standardization in assessing need for services will facilitate equitable distribution of resources. The Uniform Assessment Instrument (UAI) provides an opportunity for standardization of assessment. The UAI was developed as a component of the Case Management for Elderly Virginians Project and currently is being revised for application to all publicly funded long-term care services. The UAI provides a mechanism to complete a comprehensive review of an individual's needs and resources. The UAI does not need to be completed for all individuals seeking long-term care services. Therefore, the Task Force supports the

development of a "short form" for those situations when a comprehensive assessment is not needed, but urges that criteria also be developed to ensure appropriate use of the "short form."

Proposed Time Frame for State Implementation

The Task Force recognizes that adequate time must be allowed to reorganize at the state level and to plan with localities for the implementation of any changes at the local level. The Task Force proposes that the director of the agency be hired and the policy board be established at the state level on July 1, 1994. Consolidation and implementation of the state level agency would occur on January 1, 1995. During the transition for both the state and local level, programs in both State and local agencies would continue to operate as they currently do. Full implementation of the local level changes would not occur until January 1998. (For full details on the time frames see section XI Time Frames for Key Long-Term Care Restructuring Activities.)

The proposed time frame would allow for the following:

- an orderly time frame and process for realizing the vision laid out by the Task Force;
- allows time to utilize Medicaid waivers to the State's advantage;
- allows time to study and resolve local implementation concerns;
- allows the Uniform Assessment Instrument (UAI) to be implemented (scheduled for July 1, 1994);
- allows consolidation of licensing at the state level in advance of local changes;
- allows for local service delivery to continue in its present form until such time as local implementation plans can be fully developed and reviewed by localities;
- allows time to further review the current local system and to determine whether there are problems in the current system which may need to be addressed;
- allows time to consider the impact of federal health care reform and to integrate with any long-term care proposals at the federal level; and
- allows enough time for orderly implementation so ultimately there is less disruption to consumers.

Other Issues Related to State Consolidation

The Task Force also considered including the Certificate of Public Need Program (COPN) in the restructured agency, but decided that COPN for long-term care services should continue in the Department of Health at present. When the moratorium on construction of new nursing homes is lifted by the General Assembly, consideration should be given to transferring the COPN program to the consolidated agency.

Other administrative matters that need to be considered are the appeals process and the designation of the Office of the Secretary of Health and Human Resources as the single state agency for Medicaid. The consolidated agency and the new board should ensure that a process for client appeals and grievance procedures is established, possibly incorporating the components currently housed in the Department of Medical Assistance Services and the Department of Social Services in the consolidated agency. The designation of the Secretary as the single state agency for Medicaid would create balance between the consolidated agency and the remaining Department of Medical Assistance Services. Such a designation is for administrative purposes, and would not have an impact on the programs retained by the Department of Medical Assistance Services.

The Commonwealth should continuously reassess its long-term care and aging system to make sure that it is appropriately meeting the needs of its citizens. One important reassessment would be reviewing the decision not to include the long-term care programs of the Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRSAS) in the consolidation at this time. DMHMRSAS is a major provider of long-term care services in the state, and review of the inclusion of those programs should be considered as the system is reassessed in the future.

VII. LOCAL LEVEL RESPONSIBILITIES

The Task Force recognized the need to acknowledge the diversity across Virginia in the delivery of long-term care and aging services. There was consensus that local flexibility in administration and delivery of services was required at the local level but that guidance about expectations for statewide service delivery needed to be given. The Task force agreed on principles for local level responsibilities, a list of such responsibilities, and issues for local implementation. It recognized the important link between state and local programs and that changes at the state level will have an impact on the local level. The Task Force agreed that there was not sufficient time to allow a full discussion of local issues and to make final recommendations on local implementation.

Responsibilities of Local Government

The following were identified as responsibilities of local government related to long-term care

and aging services which are being carried out by local governments or their designees in varying degrees across the state:

- planning;
- program coordination;
- development of policy and procedure for local long-term and aging care services;
- protection of vulnerable citizens through Adult Protective Services;
- provision of, or contracting for the provision of, long-term and aging care services;
- evaluation of local long-term care and aging services, service delivery and programs; and
- auditing.

These responsibilities are currently being provided directly, delegated to an appropriate human service or aging entity, or contracted. In the system envisioned those options would still be available to carry out long-term care and aging responsibilities.

Recommendation Five:

The state entity should establish a local implementation planning group in July 1994 to begin to consider the issues related to local service delivery. The local long-term care and aging services delivery system should be established and operational as soon as possible and no later than January 1, 1998.

Implementation Issues for Local Planning Group

The Task Force, through public hearings and its subcommittee and Task Force deliberations, developed a preliminary list of issues the planning group might wish to consider as steps are taken to enhance the local service delivery system. The list includes:

- options for administering long-term care and aging on the local level, including the possibility of a state administered option;
- cost shifting and potential cost to localities;
- allocation formulas;
- determination of the need for new programs such as guardianship;
- requirement for a locality plan for long-term care and aging services; and

- mechanisms for local consumer input and ways to forward that input to the state level.

The Task Force agreed that localities must ensure that there is a local mechanism which shall:

- Determine the needs of elderly persons and others needing long-term care services;
- Develop the area plan and budget to submit to the proposed consolidated state department; and
- Review and evaluate the effectiveness of the plan in meeting the long-term care needs in the locality.

In order to ensure that adequate planning and consideration is given to local configurations for administration and service delivery, the Task Force, in its time frame for implementation, recommends the establishment of a new local implementation planning group to further study local implementation issues in conjunction with the new policy board and the agency director. (See Section XI Time Frames for Key Long-Term Care Restructuring Activities.)

VIII. SERVICES

In envisioning the future of long term care and aging, the Task Force took a long-range view of the service system and the service delivery network. Acknowledging that services are delivered at the local level, the Task Force offers the following concepts and ideas for consideration by the local implementation planning group and consolidated agency.

Support for the Consumer and Family

Support for the caregiver and family members is implicit in the notion of service provision. Services should support, not supplant, the role of the caregiver and family. It is recognized that without the family members, caregivers, and informal support network it would be impossible to develop sufficient services to help persons remain as independent as possible for as long as possible.

Support for family caregivers should include the following:

- formal linkages such as information and referral and case management;
- consumer education on quality and availability of services;
- respite care;
- support groups for caregivers; and
- encouragement to employers to include family leave time in benefits packages and eldercare in resource and referral services.

Principles for Service Delivery

Any structure for long-term care and aging services should permit some degree of flexibility in local administration but assure general statewide consistency in the availability of a continuum of long-term care services.

There should be a single coordinated source of planning and policy development for long-term care and aging services at the local level to ensure accountability, cooperation, and coordination.

No matter what the entry point for long-term care services, each agency should use the Uniform Assessment Instrument. If the system has multiple points of entry, each agency must use the assessment data already gathered without requiring duplicate assessments.

There must be adequate public education so that prospective users of long-term care and aging services will know how to access and enter the system.

Implementation of any changes in local long-term care and aging services should be phased-in on a schedule which will allow local governments the advance planning time needed.

There are differences in service availability and accessibility between localities; therefore, localities are encouraged to consider issues which cross jurisdictions and may require cross jurisdiction cooperation and consolidation.

Consolidation of long-term care and aging services must not shift costs from the state to the local level.

Any new administrative or service responsibilities at the local level must be accompanied by adequate state or Federal funding.

Overall service level must not be reduced as a result of consolidation, and there should be no diversion of service funds into administration.

Themes for Service Delivery

In keeping with a consumer-focused service delivery system, the following themes were identified by the Task Force as basic to the provision of long-term care and aging services:

- priority for home-care options for those who might otherwise need

institutional care

- the right of individual consumers to participate in care planning and to make choices about services;
- the importance of housing options as the service delivery settings within which long-term care services are provided;
- the importance of transportation to enable persons to access services;
- the importance of public-private collaboration;
- the necessity for provision of medical and mental health care when needed by the long-term care consumer; and
- the importance of public assistance benefits when needed to ensure access to services.

Prevention was also an area that was emphasized by the Task Force. Preventive services and health promotion should be provided to maximize the individual's physical, cognitive, emotional, sensory and psychosocial well being. Strategies include:

- encouraging and enabling older people and their families to attain three forms of fitness: social, mental health, and physical;
- providing a comprehensive continuum of community-based health and social services conducive to health maintenance and self reliance; and
- assisting elderly individuals to gain access to knowledge, skills and other resources that may be used in meeting personal health goals and objectives.

Preventive services are emphasized even though it is recognized that at least initially resources must be prioritized to meet the most immediate needs of the most impaired. Other states' experiences have shown that services which prevent those not currently Medicaid eligible from "spending down" and becoming Medicaid eligible for nursing home care can result in significant savings.

Scope of Services

The Task Force studied the long-term care services needed in each community and determined that each community should include an array of home-based, community-based and residential services in order to respond to consumer need. The Task Force considered identifying a core of long-term care services which would be available in each locality. The tremendous variation in service need from consumer to consumer as well as differences in service availability and informal support systems points to the desirability of a broad array of services being available to consumers. This array is shown as a "wheel of services" to demonstrate that the consumer receives the services

in a variety of settings. (See Appendix VI.)

The Task Force believes that localities should be given the ability to tailor services to their local needs choosing from the array of services, but should ensure that service options include services from those grouped under the three categories: home-based services, community-based services and residential services.

A broad range of services available for home and community-based care has been found to be most effective in meeting the individual's need while reducing the unnecessary expenditure of available funds. The key is to have a mechanism, such as case management, to make sure that the services provided are appropriate to the individual's need. In the system which is envisioned, services will be authorized by a case manager who is aware of total resources and who individualizes services for each consumer.

Such an approach supports consumer preferences, but has also been shown in other states to be cost effective. For example, if options are not available, services which do not adequately meet the individual's need may be provided. A more expensive service may be provided when the consumer needs a less expensive, but unavailable, service.

IX. OTHER ISSUES RELATED TO SERVICE DELIVERY

This section also contains a number of concepts, ideas, and issues which the Task Force discussed and which should be considered by the local implementation planning group.

Case management

Case management is a process to coordinate and monitor a wide range of health and social services to meet an individual's needs. As noted earlier, case management is being addressed in response to HJR 601, but case management was also addressed by the Task Force because it is seen as such a key function in long-term care. It is the unifying component which identifies needs and links individuals with appropriate services. The case management process generally includes case finding, prescreening/intake, assessment, care planning, implementation, monitoring, evaluation, reassessment, and case closing.

A long-term care system should be implemented which initially uses case management services now available but which moves toward a case management system where publicly funded services are identified and authorized. Empowering the case manager

to authorize services, as well as broker services, would improve service delivery and ensure the effective use of resources. The issue of service authorization as it relates to case managers continues to be studied, but as managed care becomes an integrated component of the health care community, it may become apparent that, at a future date, case managers for long-term care services may need to authorize services as a cost containment mechanism.

Acknowledging that work on case management is underway as a result of HJR 601, the Task Force endorsed the principle of service authorization as an appropriate model for provision of case management statewide because it would empower the case manager to arrange and approve payment for specific services needed by individual consumers.

Some Task Force members felt that to avoid the appearance of a conflict of interest when the case manager authorizes services, the case management entity should generally not be the service provision entity. However, it is recognized that, because of the Commonwealth's geographic diversity, in some rural areas, agencies or organizations may need to continue to perform both case management and service delivery. In addition, alternative methods of case management , including those currently providing and/or authorizing direct service delivery are recognized as being sufficiently effective to merit full study and consideration. The Task Force urges that the local implementation planning group further examine this issue.

Consistent eligibility requirements

The Task Force encourages the use of a consistent approach when establishing income and resource limits for eligibility determination for long-term care and aging services be considered by the local implementation planning group. Currently, the varying definitions of income and resources used in determining an individual's eligibility for publicly funded services are inconsistent across programs, difficult to understand, and create barriers to service access and delivery. Consistency is needed when income and resources are addressed in establishing financial eligibility criteria for the variety of long-term care services. The Task Force recognizes that federal requirements create some of the inconsistencies.

Sliding fee scale

A sliding fee scale should be utilized in order to include all persons with the ability to pay for services. Cost sharing arrangements, with the cost amount varying by income, were endorsed as an essential element in the development of a long-term care delivery

system. The system envisioned would be one where those with the lowest incomes receive fully subsidized care while those with moderate incomes receive partial support for community care services. It would also recognize the differing costs of living across the Commonwealth, and the local service delivery implementation group should include this in local implementation requirements.

Public/private relationships

The long-term care system should maximize public/private relationships as well as make maximum use of all resources. Public/private relationships and partnerships can enhance service delivery as well as facilitate broad-based participation in the development of long-term care services. Important in the development of public/private relationships are adequate reimbursement rates for providers of long-term care services as well as timely reimbursements for such services.

Businesses as employers can also play a role in supporting their employees in caregiving roles. The Task Force encourages the proposed consolidated agency to:

- provide information on the effect that long term care can have on their employees and the business (through reducing employee absenteeism, for example etc.);

- undertake specific marketing efforts targeted at business, labor, and business/service organizations such as Chambers of Commerce, Private Industry Councils, and Kiwanis to provide information on the effect of long-term care on businesses and employees; and

- sponsor special events targeted at the business and labor communities to discuss long-term care needs of businesses and employees and possible solutions, including flexible work schedules, resources and referral service for eldercare, and dependent care assistance programs.

X. SERVICE LINKAGES

Linkages are essential in the coordination and delivery of long-term care services. Working relationships among community service agencies need to be more open and flexible in some cases and, in others, more formalized through the use of service protocols, service agreements, and/or memoranda of understanding at the state and local level. The Task Force urges that the consolidated agency and the local planning implementation group consider the linkages it explored.

The Task Force identified the following issues which require the development of other linkages with the long-term care delivery system.

- **Transportation.** Transportation is the key to accessing services. The Task Force encourages additional funding for transportation and supports the work of the Specialized Transportation Council.

- **Housing.** Housing is a generic term which relates to the setting in which long-term care services are provided. Case management and the array of long-term care services should support the consumer's choice of housing, subject to availability and appropriateness.

- **Mental Health, Mental Retardation and Substance Abuse Services and Other Agencies.** The greatest integration possible should occur between services provided through the Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRSAS) and community services boards and the long-term care service delivery system. Also important are linkages to the departments for the Visually Handicapped, for the Deaf and Hard of Hearing, and for Rehabilitative Services--all of which provide necessary services for the long-term care population. At the state and local level, formal mechanisms, such as memoranda of understanding and contracts, should be created to ensure maximum integration. As previously stated, reexamination of the inclusion of long-term programs of DMHMRSAS should be included as the state continues to examine its long-term care system.

- **Financial Benefits.** The importance of linkage between long-term care services and financial benefits can be enhanced by:1) co-locating long-term care services, when feasible, with federal and state financial benefit programs; 2) authorizing case managers to take applications for a variety of benefit programs; 3) encouraging and developing volunteers to provide financial counseling and assistance to persons applying for long-term care benefits; 4) linking with financial eligibility functions performed in local departments of social services; (5) encouraging people to plan for their possible needs for long-term care services; and 6) expanding outreach efforts to maximize use of the Qualified Medicare Beneficiary (QMB) option.

- **Social Security.** The Task Force encourages strong linkages with the Social Security Administration. and urges that ways in which application for Supplemental Security Income (SSI) can be taken by case managers be explored.

- **Department of Veterans Affairs.** The Task Force recognizes that many services are provided through this department and seeks to ensure that case managers are aware of the services of the Department of Veterans Affairs and refer individuals to the Department when appropriate.

- **Acute-Care Facilities and Providers.** The Task Force encourages strong linkages with hospital discharge planners, physicians, and other providers in order to ensure appropriate and timely transfer of individuals between acute and long-term care services.

- **Long-Term Care Insurance.** Formal linkages with the proposed restructured agency and the State Corporation Commission Bureau of Insurance, should be established to ensure that long-term care insurance is properly regulated and that consumers are knowledgeable about such insurance.

  The Virginia Insurance Counseling and Advocacy Project at the Department for the Aging, which is cosponsored by the Bureau of Insurance, should be continued to ensure that consumers are fully aware of the benefits and risks associated with long- term care insurance.

- **Continuing Care Retirement Communities.** Linkages should also be formalized between the State Corporation Commission Bureau of Insurance, which regulates the 39 continuing care retirement communities (CCRC's) in Virginia, and the restructured agency.

XI. TIME FRAMES FOR KEY LONG-TERM CARE RESTRUCTURING ACTIVITIES

October 1993

- Long-Term Care and Aging Task Force submits report to the Secretary of Health and Human Resources

- Secretary submits plan to the Long-Term Care Council/Joint Commission

- Develop legislative proposals to establish state agency

- Implement revised Uniform Assessment Instrument (UAI) and client level data base in Case Management Pilot Project

- Continue Case Management Pilot Project efforts to develop common definitions and eligibility criteria across human services programs

- Governor's Conference on Aging on long-term care

January - March 1994: General Assembly action on legislative proposals

March 1994

- Develop state agency implementation plan

June 1994

- Implement case management and use of UAI in adult care residences (homes for adults)

July 1994

- Appoint Director

- Appoint policy board

- Adopt UAI for Medicaid-funded home and community-based services, area agencies on aging and local departments of social services

- Establish a local implementation planning group to address local delivery issues in developing a long-term care and aging services system at the local level.

January 1995

- Establish consolidated state-level agency

January - February 1995:
General Assembly action on any additional housekeeping legislation related to the state agency on long-term care and aging services

January 1995-November 1995

- Local implementation planning group continues study and reports recommendations by October, 1995.

January - February 1996:
General Assembly action on legislation on local long-term care and aging services system

April 1996

- Prepare implementation plan for local system

January 1997

- Begin implementation of local long-term care and aging services system on a phased-in basis.

January 1998

- Implementation of local long-term care and aging services system to be completed.

Appendices

1. Listing of Task Force Members and Acknowledgements
2. House Joint Resolutions Numbers 601 and 602
3. Virginia's Current Long-Term Care System for the Elderly
4. Service and Administrative Funding Budgeted for FY '94
5. Array of Long-Term Care Services
6. Information Sources

Appendix 1

LONG-TERM CARE & AGING TASK FORCE

To ensure the development of the plan had the input and guidance of all interested parties, the Secretary of Health and Human Resources established the Long-Term Care and Aging Task Force. We wish to give special thanks and recognition to the following individuals who served on the task force. Each member also served on one of three subcommittees. The subcommittee on which the member served is listed with their name.

TASK FORCE MEMBERS	AGENCY OR ASSOCIATION REPRESENTED
William L. Lukhard	**Chairman**
Robert Blancato (State)	**At Large Member**
Thelma E. Bland (Services)	**Department for the Aging**
Nancy Bockes (Local)	**Virginia League of Social Services Executives**
Paul Boynton (State)	**Regional Planning Agencies**
Ellen Bozman (State)	**Virginia Home Care Alliance**
Edwin Brown (State)	**Virginia Association of Local Health Directors**
Margo Clark (Services)	**At Large Member**
Peter Clendenin (State)	**Virginia Health Care Association**
John E. Cowhig (Services)	**Virginia Hospital Association**
King E. Davis (State)	**Department of Mental Health, Mental Retardation and Substance Abuse Services**
Cathie Galvin (State)	**Virginia Association of Area Agencies on Aging**
Barbara L. Glaser (Services)	**Virginia League of Social Services Executives**
Carol Hogg (Local)	**Virginia Association of Local Health Directors**
Larry D. Jackson (Services)	**Department of Social Services**
Mary Blewit Kemper (Local)	**Virginia Association of Nonprofit Homes for the Aging**

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Bruce U. Kozlowski (Local)	Department of Medical Assistance Services
Richard W. Lindsay (Services)	The Medical Society of Virginia
Robert Lockridge (Local)	Virginia Department of Planning and Budget
William Massey (Local)	Virginia Association of Area Agencies on Aging
Ann Morris (Services)	Virginia Association for Home Care
Dana Neidley (State)	Virginia League of Social Services Executives
Michael Osorio (State)	Virginia Association of Homes for Adults
Robert M. Sager (Local)	Virginia Association of Counties
Robert Schneider (State)	Governor's Advisory Board on Aging
Bert Seidman (Local)	At Large Member
Lynne Seward (Local)	Virginia Institute on Adult Daycare
J. Howard Shegog (Services)	Old Dominion Medical Society
Robert B. Stroube (Local)	Virginia Department of Health
Katie Summers (Local)	Alzheimer's Disease and Related Disorders Commission
John Taylor (Services)	Alzheimer's Disease and Related Disorders Commission
Jacqueline Thomas (State)	American Association of Retired Persons
James Thur (Services)	Virginia Association of Community Services Boards, Inc.
Phyllis S. Tyzenhouse (Services)	American Association of Retired Persons
Susan Williams (Services)	Virginia Association of Area Agencies on Aging
Joyce Wilson (Local)	Virginia Municipal League

Appendix 1

Acknowledgements

The staff to the Task Force wishes to acknowledge the invaluable assistance of every member of the Task Force. Special thanks to those persons who served as chairs of subcommittees--Ellen Bozman, Carol Hogg, and Jim Thur. Of course, our chair, William L. Lukhard, provided staff with his expertise and unfailing support throughout the project and we are grateful.

We are also grateful for the leadership Secretary of Health and Human Resources, Howard M. Cullum has provided to this effort. Years from now our human services system will be more responsive to the needs of older and disabled Virginians and their families. We will look back and know our progress could not have been possible without the leadership Secretary Cullum has provided the Commonwealth.

This report was written by staff to the Long-Term Care and Aging Task Force, Linda Sawyers. Cathy Saunders, Director of the Long-Term Care Council, served as the primary resource person and first editor. Contributors were Ann Cook of the Department of Medical Assistance Services and Helen Leonard of the Department of Social Services, who produced subcommittee reports and served as readers of the first draft of the report. Other contributors were Jim Cotter of the Department for the Aging, Deborah Little-Spurlock of the Department of Health, and Saundra Rollins of the Department of Mental Health, Mental Retardation and Substance Abuse Services.. Clerical and technical support was provided by Margo Ellison, whose diligence and good work made it possible for the Task Force to complete its work on time. Thanks also go to Jackie Taggart for her assistance.

Appendix 2

GENERAL ASSEMBLY OF VIRGINIA--1993 SESSION

HOUSE JOINT RESOLUTION NO. 601

Requesting the Secretary of Health and Human Resources to develop and implement a statewide comprehensive case management system for long-term care.

Agreed to by the House of Delegates, February 7, 1993
Agreed to by the Senate, February 23, 1993

WHEREAS, many elderly Virginians often experience difficulty accessing long-term care services because they are typically frail and unaware of the services they need or where to find them; and

WHEREAS, the Commonwealth's expenditures for long-term care services have risen rapidly in the past decade and even more rapid growth is anticipated by the year 2000; and

WHEREAS, the Case Management for the Elderly Pilot Program has demonstrated that case management can link elderly Virginians to appropriate long-term care services which may delay or avoid nursing home placement; and

WHEREAS, components of an effectively administered long-term care system include assessment and comprehensive case planning and management for long-term care services; and

WHEREAS, assessment, case planning and monitoring may ensure that the elderly use long-term care services in the most appropriate and efficient way possible; and

WHEREAS, overall costs for long-term care can best be contained when program eligibility is targeted toward persons who have multiple limitations in performing activities of daily living, when a managed care approach is used and when cost sharing provisions are established; and

WHEREAS, local agencies may be able to shift existing staff resources to effective case management; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Secretary of Health and Human Resources be requested to develop and implement a statewide comprehensive case management system which will (i) be available to serve all elderly citizens; (ii) have authority to authorize eligibility for all publicly financed long-term care services; (iii) be supervised and managed at the state level but administered at the local level; and (iv) be funded through a combination of funding sources including federal, state, and local funds and consumer fees (based on ability to pay); and, be it

RESOLVED FURTHER, That the Secretary of Health and Human Resources be requested to require that all public health and human resource agencies in the Commonwealth use a uniform assessment instrument, common definitions and common criteria for all long-term care programs by July 1, 1994; and, be it

RESOLVED FINALLY, That the Secretary of Health and Human Resources be requested to develop and implement a statewide client level data base for all publicly funded long-term care services by July 1, 1995.

The Secretary shall submit a progress report to the Joint Commission on Health Care, the Governor and the 1994 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

Appendix 2

GENERAL ASSEMBLY OF VIRGINIA--1993 SESSION

HOUSE JOINT RESOLUTION NO. 602

Establishing a long-term care policy for the Commonwealth.

Agreed to by the House of Delegates, February 7, 1993
Agreed to by the Senate, February 23, 1993

WHEREAS, 12.5 percent of Virginians are age 65 and older; and

WHEREAS, the number of Virginians age 85 and older will increase 32 percent by the year 2000; and

WHEREAS, the Commonwealth invested more than $250 million in long-term care services in FY 1992, and its investment will increase significantly in the next 20 years; and

WHEREAS, the needs of the elderly population can best be served, and the services can best be administered and coordinated, at the community level; and

WHEREAS, local flexibility in providing services should be encouraged; and

WHEREAS, the elderly citizens of Virginia should receive the necessary care and services at the least cost and in the least confining situation; and

WHEREAS, within budgetary constraints, it is appropriate that savings in nursing home services be reallocated to alternative care programs under Medicaid and other programs; and

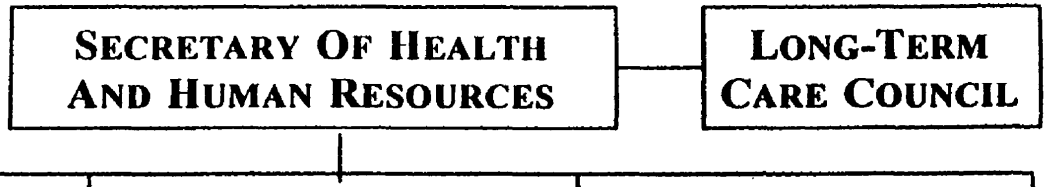
WHEREAS, long-term care programs serve the frailest and most dependent of Virginia's adult citizens; and

WHEREAS, the Commonwealth should have a well-defined and well-enunciated policy for long-term care services; and

WHEREAS, in keeping with the preferences of most elderly and disabled Virginians, a long-term care system should (i) provide maximum independence for older and disabled adults; (ii) maximize community-based care alternatives for publicly funded long-term care services; (iii) ensure a continuum of long-term care services in each locality; (iv) allow individual choice in the selection and provision of long-term care services; and (v) support families and other informal caregivers; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Commonwealth of Virginia be committed to providing services to elderly individuals through programs and in settings which maximize their ability to function as independently as possible given their physical limitations and which encourage the principles of personal dignity, individuality, privacy, the right to make choices and the right to a decent quality of life.

VIRGINIA'S CURRENT LONG-TERM CARE SYSTEM FOR THE ELDERLY



Appendix 3

DEPARTMENT FOR THE AGING

- Provides through Local AAAs
  - Information & Referral
  - Case Management
  - Transportation
  - In-home Services
  - Home Delivered/ Congregate Meals
  - Ombudsman
  - Respite

DEPARTMENT OF MEDICAL ASSISTANCE SERVICES

- Finances:
  - Nursing Homes
  - Home Health
  - Hospice
  - Personal Care
  - Transportation
  - Adult Day Health Care
  - Respite
  - State MH Inst. for the Elderly
  - Case Management
- Nursing Home Preadmission Screening
- U.R. for LTC Services
- MR Waiver Services

DEPARTMENT OF SOCIAL SERVICES

- Licenses Homes for Adults & Adult Day Care
- Auxiliary Grant Program - Homes for Adults & Adult Family Care Program
- Purchases Companion/Chore, Homemaker, Adult Day Care
- Adult Protective Services
- Adult Services Program/Case Mgmt

DEPARTMENT OF HEALTH

- Licenses/Certifies Nursing Homes and Home Health Agencies
- Provides In-Home Services through local health departments
- Administers CON Program

APPENDIX 3 (CONTINUED)

VIRGINIA'S CURRENT LONG-TERM CARE SYSTEM FOR THE ELDERLY

Long-term care services are presently administered in Virginia by, at least, four agencies: the Department for the Aging, Department of Health, Department of Medical Assistance Services, and the Department of Social Services. The Long-Term Care Council, comprised of these agencies and the Department of Mental Health, Mental Retardation and Substance Abuse Services, Department of Rehabilitative Services, the Department for the Rights of Virginians with Disabilities and the Department for the Visually Handicapped also guides the administration of long-term care services in the Commonwealth. The long-term care related administrative functions of the four agencies and the Council are as follows:

DEPARTMENT FOR THE AGING

- Develops regulations, policies and procedures for an array of home and community-based care programs including the Ombudsman and Elder Abuse Prevention Programs, adult day care, access services, in-home services, case management, legal assistance, transportation, congregate and home delivered meals, and respite care services;
- Administers community-based services provided through 25 area agencies on aging;
- Designates area agencies on aging and reimburses for providing long-term care services;
- Expands resources through public and private sector initiatives and grants;
- Analyzes demographic data related to persons age 60 and over;
- Educates the public on aging issues and needs; and
- Provides staff support to the Long-Term Care Council.

DEPARTMENT OF HEALTH

- Licenses long-stay hospitals, nursing facilities, rehabilitation agencies and home health agencies;
- Surveys long-term care facilities and agencies for participation in Medicare and Medicaid;
- Issues certificates of need which entitle long-term care facilities and agencies to operate in the Commonwealth;
- Through local health departments delivers home health services and personal care services to long-term care clients in their own homes; and
- Administers the nursing home preadmission screening program in each locality.

DEPARTMENT OF MEDICAL ASSISTANCE SERVICES

- Develops regulations, policies and procedures for Medicaid coverage of long-term care services including the following home and community-based services: Elderly & disabled - personal care, adult day care, respite; Technology-assisted children - private duty nursing, respite, care coordination; AIDS/HIV - Case management, nutrition, personal care, respite care, private duty nursing; and Mental retardation - residential support, day support, habilitation, therapeutic consultation;
- Pays claims for long-stay hospital, mental health and mental retardation facility services, nursing facility services, home and community-based care services under a waiver, home health services and rehabilitative services;
- Administers the nursing home preadmission screening program;
- Performs quality assurance activities for all its long-term care services including

preauthorization and continued stay reviews;

- Defines provider qualifications and contracts with qualified providers to serve Medicaid eligible clients; and
- Provides financing for other long-term care services such as:
    - hospice
    - durable medical equipment and supplies
    - physical, occupational and speech therapy.

DEPARTMENT OF SOCIAL SERVICES

- Develops regulations, policies and procedures for adult services, adult protective services, auxiliary grants, and homes for adults (licensure);
- Licenses homes for adults and adult day care centers;
- Administers community-based and residential long-term care programs including supervision of 124 local department of social services;
- Reimburses local departments of social services for providing long-term care services;
- Supervises and performs policy compliance monitoring for local departments of social services; and
- Defines provider qualifications for locally approved service providers.

LONG-TERM CARE COUNCIL

§2.1-373.5 of the Code of Virginia sets out the duties of the Long-Term Care Council as follows:

- providing leadership in the development of state policies and programs for the long-term care system;
- assuring that an appropriate supply and mix of quality long-term care services are available in the Commonwealth;
- assuring that long-term care services are appropriately targeted to the population in need of such care within existing funds;
- encouraging appropriate relationships between public and private sectors in the development, funding, regulation, and provision of community and home-based care;
- providing public information regarding the continuum of long-term care services for both providers and consumers; and
- monitoring the development of administrative and fiscal controls of long-term services as provided by the Virginia Department for the Aging.

In addition, §2.1-373.7 directs each city or county, or combination thereof, to designate a lead agency and member agencies to coordinate local long-term services. The coordination committee is to guide the coordination and administration of public long-term services in the locality.

Appendix 4

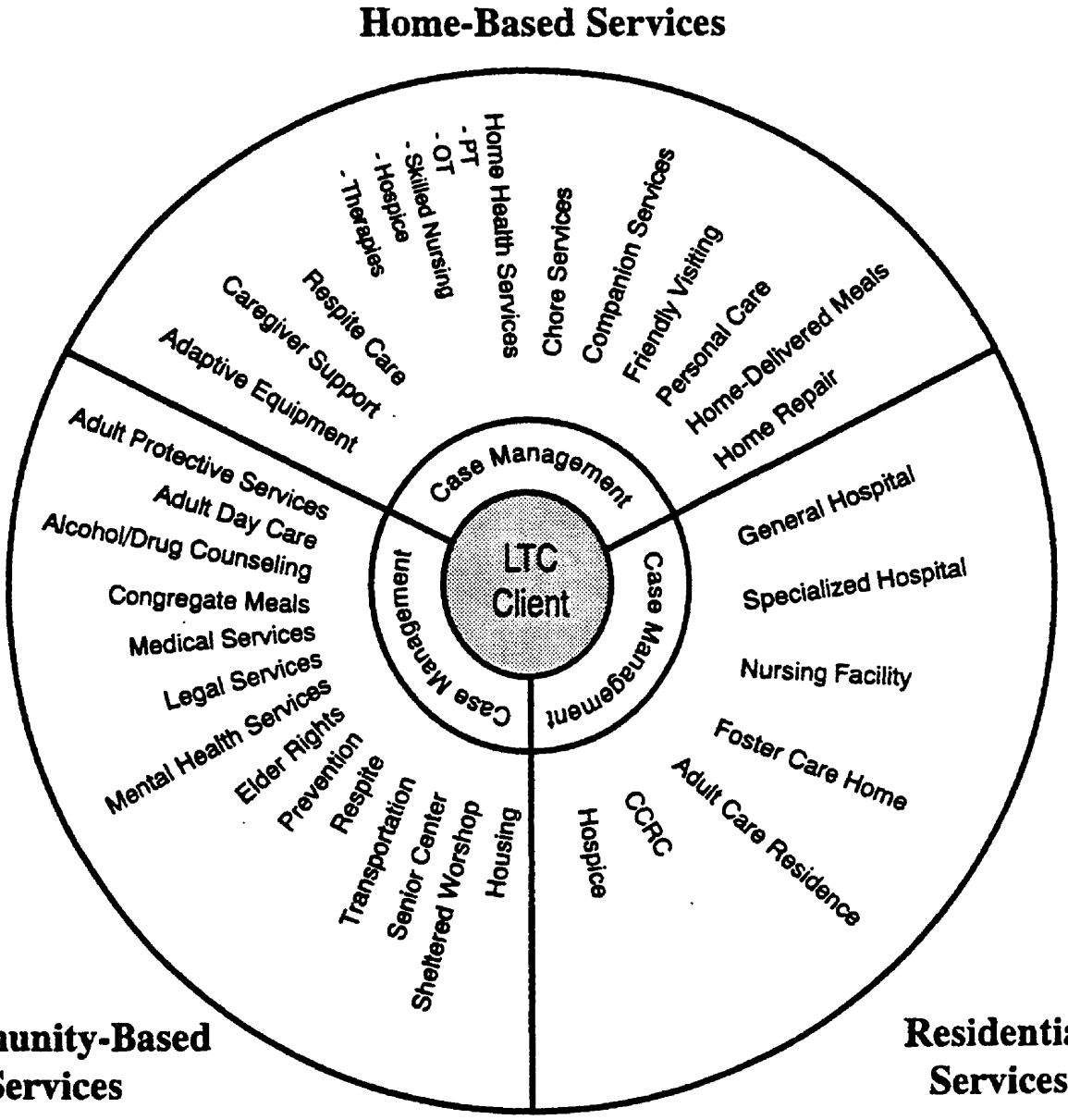
Service and Administrative Funding Budgeted for FY '94

State Agencies: Long-Term Care & Aging Services	Total	State Funds	Local Funds	Special Funds (Includes Grants and Fees)	Federal Funds
AGING (Includes Case Management Pilot Project)	**$25,355,579**	**$8,183,359**	**AAAs receive local funds**	**$150,000**	**$17,022,220**
HEALTH	**$4,272,449**	**$1,132,615**		**$721,965**	**$2,417,869**
Certificate of Public Need Program – Long-Term Care Component	34,398	6,091		28,307	
Nursing Home Licensing & Certification	4,238,051	1,126,524		693,658	2,417,869
MEDICAL ASSISTANCE SERVICES	**$466,542,271**	**$232,618,961**			**$233,923,310**
Cost & Audit	2,484,901	1,242,451			1,242,450
Information Management	108,567	33,778			74,789
Quality Assurance	3,948,803	1,342,732			2,606,071
Services to Individuals	460,000,000	230,000,000			230,000,000
SOCIAL SERVICES	**$41,794,283**	**$15,955,620**	**$7,964,982**	**$39,126**	**$17,834,555**
Adult Protective Services & Adult Services (Includes Central/Regional Office Administration)	22,014,994	85,199	4,317,800		17,611,995
Homes for Adults & Adult Day Care Licensing	1,037,528	998,402		39,126	
Auxiliary Grants Payments	18,235,910	14,588,728	3,647,182		
Medicaid - Adult Categories & Aux. Grants (Central/Regional Office Administration)	505,851	283,291			222,560
TOTAL	**$537,964,582**	**$257,890,555**	**$7,964,982**	**$911,092**	**$271,197,954**

Note: This funding includes services for those under age 60 who are currently being served.

Appendix 5

Array of Long-Term Care Services



Appendix 6

Information Sources
Report of the Long-Term Care and Aging Task Force

Sources consulted for information contained in this report included:

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Note:
Other states--Kansas, New Jersey, and North Carolina--were reviewed through summaries provided by AARP.

Data Sources:

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