

# Illinois Department on Aging

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John Holton, Ph.D.  
Director

Pat Quinn  
Governor

## **Fiscal Year 2013 Enacted Budget**

July 2, 2012

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# **Governor's FY13 Budget Priorities**

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- **Job & economic growth**
- **Invest in education**
- **Stabilize & strengthen pension systems**
- **Restructure Medicaid System**
- **Rebalance institutional living/community care**
- **Agency reductions & efficiencies**

# Mission Statement & Strategic Priorities

The MISSION of the Illinois Department on Aging is to serve and advocate for older Illinoisans and their caregivers by administering quality and culturally appropriate programs that promote partnerships and encourage independence, dignity and quality of life.

<b><u>STRATEGIC PRIORITY I.</u></b>	<b><u>STRATEGIC PRIORITY II.</u></b>	<b><u>STRATEGIC PRIORITY III.</u></b>	<b><u>STRATEGIC PRIORITY IV.</u></b>	<b><u>STRATEGIC PRIORITY V.</u></b>
<p>Rebalance Illinois' long term care system to expand in-home &amp; community-based services for seniors and their caregivers.</p>	<p>Advocate for the protection of the rights of older adults.</p>	<p>Improve access to public benefits, affordable health care benefits, and community-based services for older adults.</p>	<p>Maximize federal, state, local and private resources to increase healthy aging options and social programs for older adults.</p>	<p>Promote responsive management, accountability and advanced technologies.</p>

# We Serve a Rapidly Growing Population Who Seek More Services, Innovation and Choice

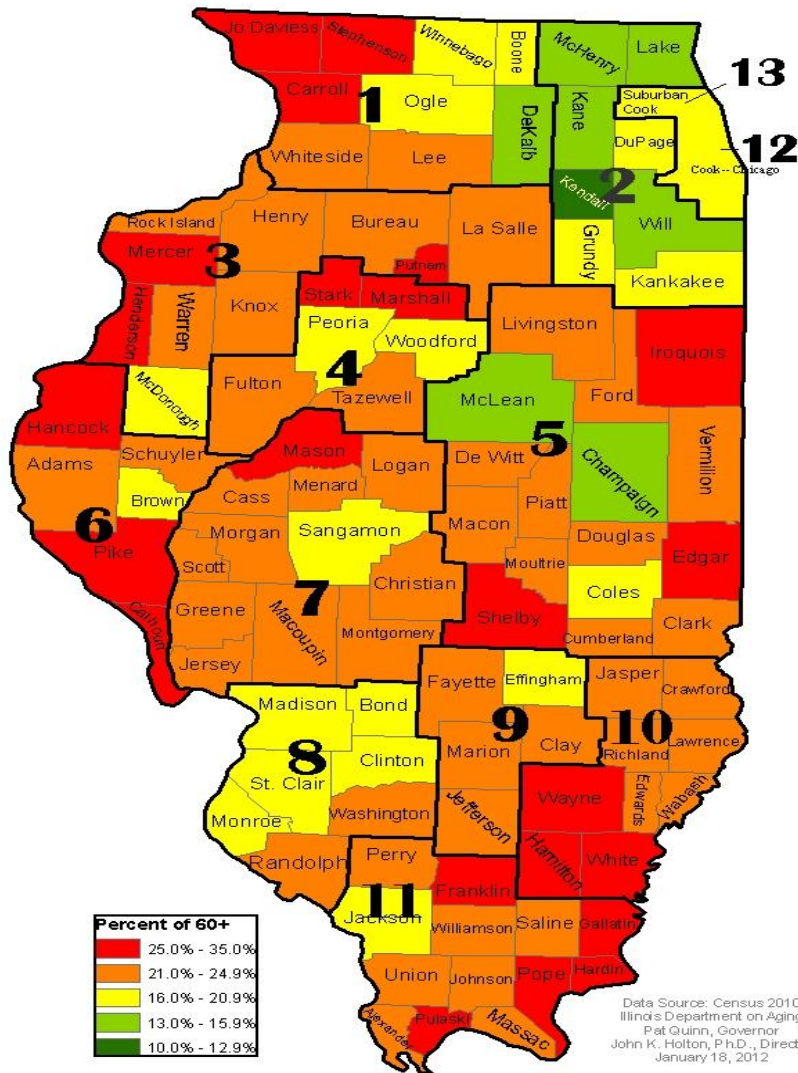
There are currently 2.3 million older adults across Illinois...  
 They are Rapidly Growing, Staying Active, and Living Longer!

Illinois	2010	% of Total	2015	% of Total	2020	% of Total
State Population	12,830,632	100%	13,748,695	100%	14,316,487	100%
<b>Total, Older Adults-IL</b>	<b>2,274,642</b>	<b>18%</b>	<b>2,653,198</b>	<b>19%</b>	<b>3,064,634</b>	<b>21%</b>

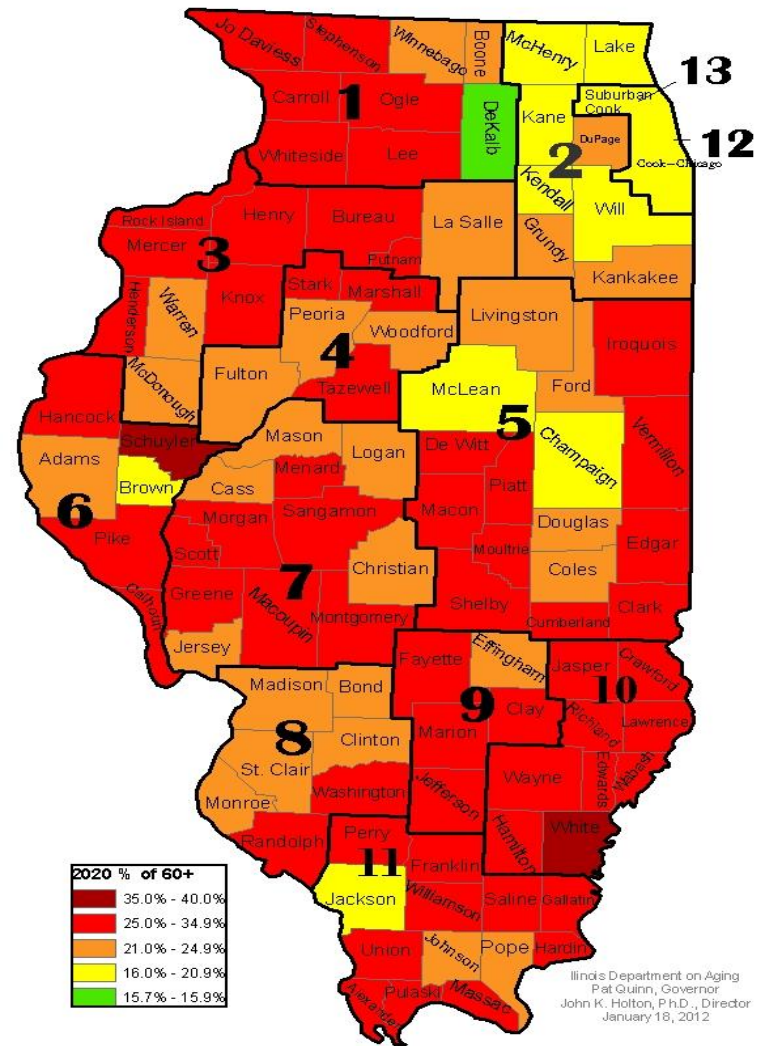
Source: Census Data and Illinois Population Projection Site

# 60 Years and Older Population by County

2010



2020 Projection



# Summary of Agency Operations

The Department administers a comprehensive service delivery system for the state's growing 2.3 million older adults and their caregivers.

Services are provided in coordination with 13 Area Agencies on Aging and hundreds of contracted provider agencies at the local level.

The Department's major programs and services include:

- Community Care Program (CCP),
- Prevention of Elder Abuse and Self Neglect,
- Long Term Care Ombudsman Program,
- Older Americans Act funded services such as: Information & Referral, outreach, nutritional services, employment services, and transportation, along with other community supportive services, and
- Eligibility determination for various senior benefits.

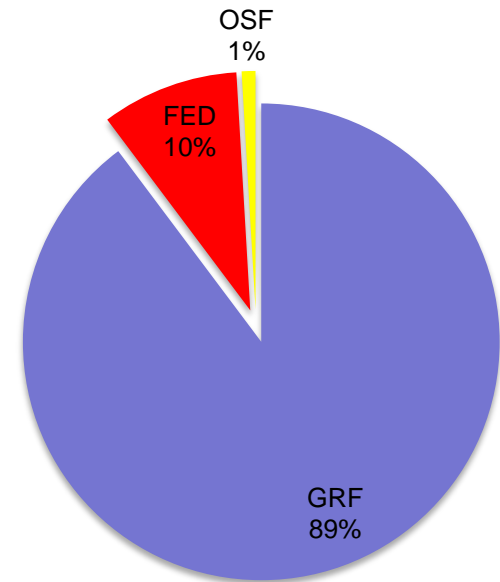
# Agency Budget Highlights

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- The Fiscal Year 2013 budget for the Department includes \$785.1 million in **General Revenue funds (GRF)**, which is an increase of \$47.7 million, or 6.5% over the FY12 GRF appropriations.
- **Direct Federal funds** totals \$84.5 million, which is a net increase of approximately \$7.7 million, or 10.1% over the FY12 appropriations. The increase reflects additional federal spending authority of more than \$7.5 million for Title III. nutritional programs, \$500,000 for Title V. Employment Services, and adjustments among other Older Americans Act services.
- The **Other State Funds (OSF)** budget totals \$12.9 million which is an increase of \$4.5 million, or 53.3% over the FY12 budget. The total OSF reflects a **reduction** of \$4.5 for the Circuit Breaker Program and an additional appropriations of \$9 million for Medicaid Community Care Program services.

# Appropriations by **Funding Source and Distribution**

(\$ in 000s)	FY12 Appropriations	FY13 Budget	\$ change	% change
<b>All Funds</b>	<b>\$822,674.5</b>	<b>\$882,612.3</b>	<b>\$59,937.8</b>	<b>7.3%%</b>
<b>General Revenue</b>	<b>\$737,419.1</b>	<b>\$785,139.8</b>	<b>\$47,720.7</b>	<b>6.5%%</b>
<b>Direct Federal Funds</b>	<b>\$76,810.4</b>	<b>\$84,527.5</b>	<b>\$7,717.1</b>	<b>10.0%</b>
<b>Other State Funds</b>	<b>\$8,445.0</b>	<b>\$12,945.0</b>	<b>\$4,500.0</b>	<b>53.3%</b>





# Illinois Department on Aging



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## **Fiscal Year 2013 Highlights by Programmatic Areas**

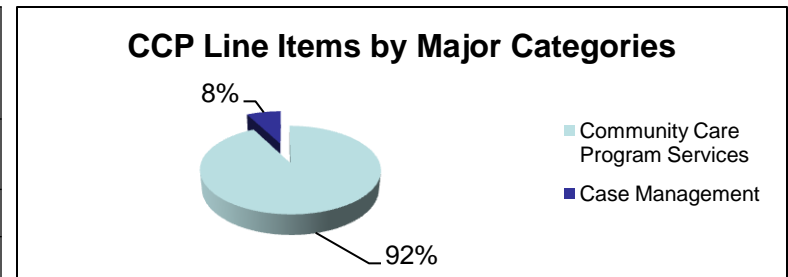
# Community Care Program

The FY13 budget includes \$753.5 million to administer the Community Care Program, which represents an increase of \$75.1 million, or 11.1% over the FY12 budget. The budget does NOT include funding for prior year(s) liability.

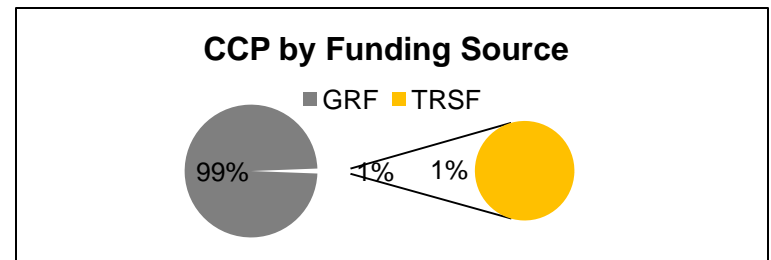
The increase is to partially accommodate growth in caseload, nursing home admission prescreens and other assessments, and to implement provisions of the Colbert v. Illinois consent decree.

Currently, the CCP accounts for 85% of all funding sources, and 96% of the Department's GRF budget.

CCP Line Items (\$000's)	FY12 Budget	FY13 Budget	\$ Change	% Change
Community Care Program Services	\$625,126.5	\$696,124.4	\$70,997.9	11.4%
Case Management	\$53,318.2	\$57,406.4	\$4,088.2	7.7%
<b>Total, All Services</b>	<b>\$678,444.7</b>	<b>\$753,530.8</b>	<b>\$75,086.1</b>	<b>11.1%</b>



CCP Funding Source (\$000's)	FY12 Budget	FY13 Budget	\$ Change	% Change
GRF	\$678,444.7	\$744,530.8	\$66,086.1	9.7%
Tobacco Recov. Settle. (TRSF)	\$0.0	\$9,000.0	\$9,000.0	100.0%
<b>Total, All Funds</b>	<b>\$678,444.7</b>	<b>\$753,530.8</b>	<b>\$75,086.1</b>	<b>11.1%</b>



# Community Care Program

(cont'd)

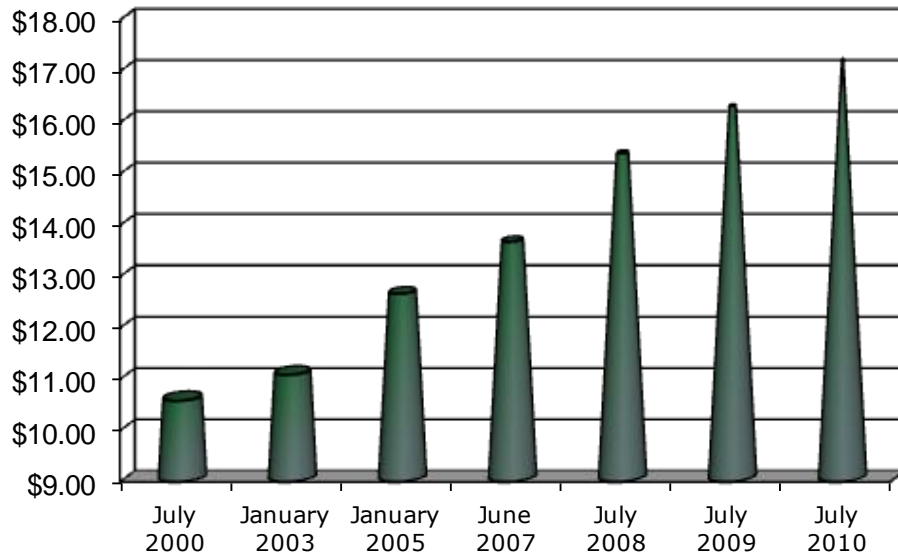
- The Community Care Program serves as a viable and cost effective alternative to nursing homes as all participants are eligible for nursing home placement. The program is also partially supported by a 1915(c) Federal Medicaid waiver.
- CCP participants receive a holistic array of CCP services to remain independent for as long as possible in the most integrated community-based setting of their choice.
- The program is projected to serve an average adjusted monthly caseload of approximately 80,100 older adults in FY13. Caseload has averaged 11% in the past year.
- Due to the State's ongoing revenue shortfall, funding for the Community Care Program has not kept pace with caseload growth and service demands in recent years. Providers will continue to experience payments delays in FY13; and the Department will be tasked with implementing cost containment measures pursuant to the Medicaid reform mandate.

# Community Care Program

(cont'd)

- Recognizing the opportunity to serve a growing population and the ongoing constraints of the State's fiscal condition, the agency's "Plan of Approach" centers on the following cost containment measures in FY13, in accordance with the provisions of SB2840, which is also known as the Save Medicaid Access and Resources Together (SMART) Act:
- The budget include cost savings totaling approximately \$150 million as a result of:
  - Strengthening eligibility standards
    - Adhering to the new Long Term Care minimum DON score of 37 (up from 29)
    - Applying the current asset level and an income eligibility standard of 133% of FPL
  - Introducing added program controls such as: task based parameters/service utilization, and
  - Implementing reasonable enhancements to reduce the need for institutional care while improving access to cost effective care options.
- The budget does not include approximately **\$180M** to cover prior years unpaid liability.

# In-Home Service Hourly Rate History Summary

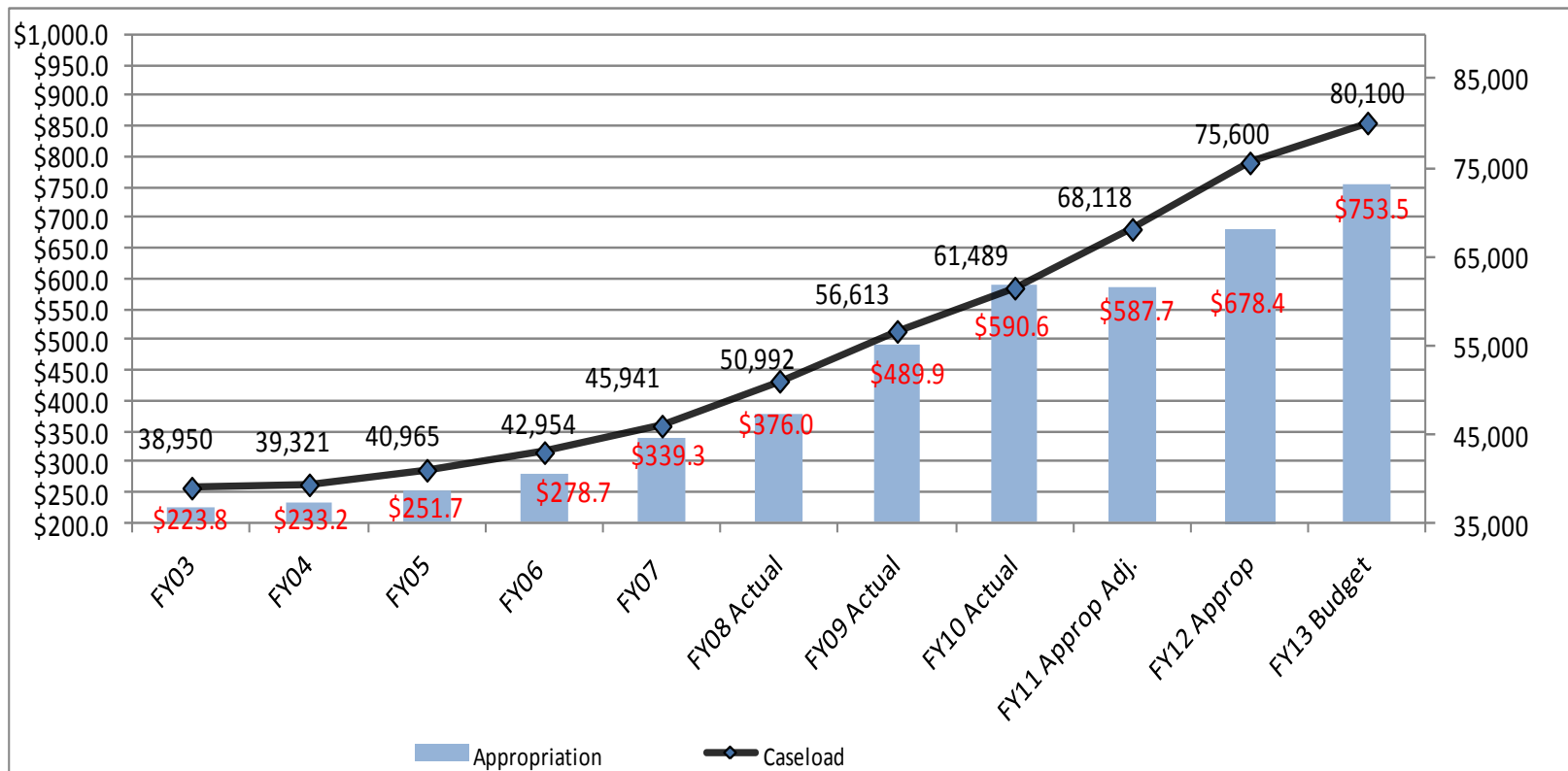


Effective Date	Rate	\$ Change	% Change
1-Jul-10	\$17.14	\$0.91	5.6%
1-Jul-09	\$16.23	\$0.91	5.9%
1-Jul-08	\$15.32	\$1.70	12.5%
1-Jun-07	\$13.62	\$1.00	7.9%
1-Jan-05	\$12.62	\$1.56	14.1%
1-Jan-03	\$11.06	\$0.50	4.7%
1-Jul-00	\$10.56	\$0.26	2.5%

\*The unit rate for the health insurance benefit for eligible homecare providers is \$1.61 per hour.

# CCP Appropriations & Caseload History

(\$ in Millions)

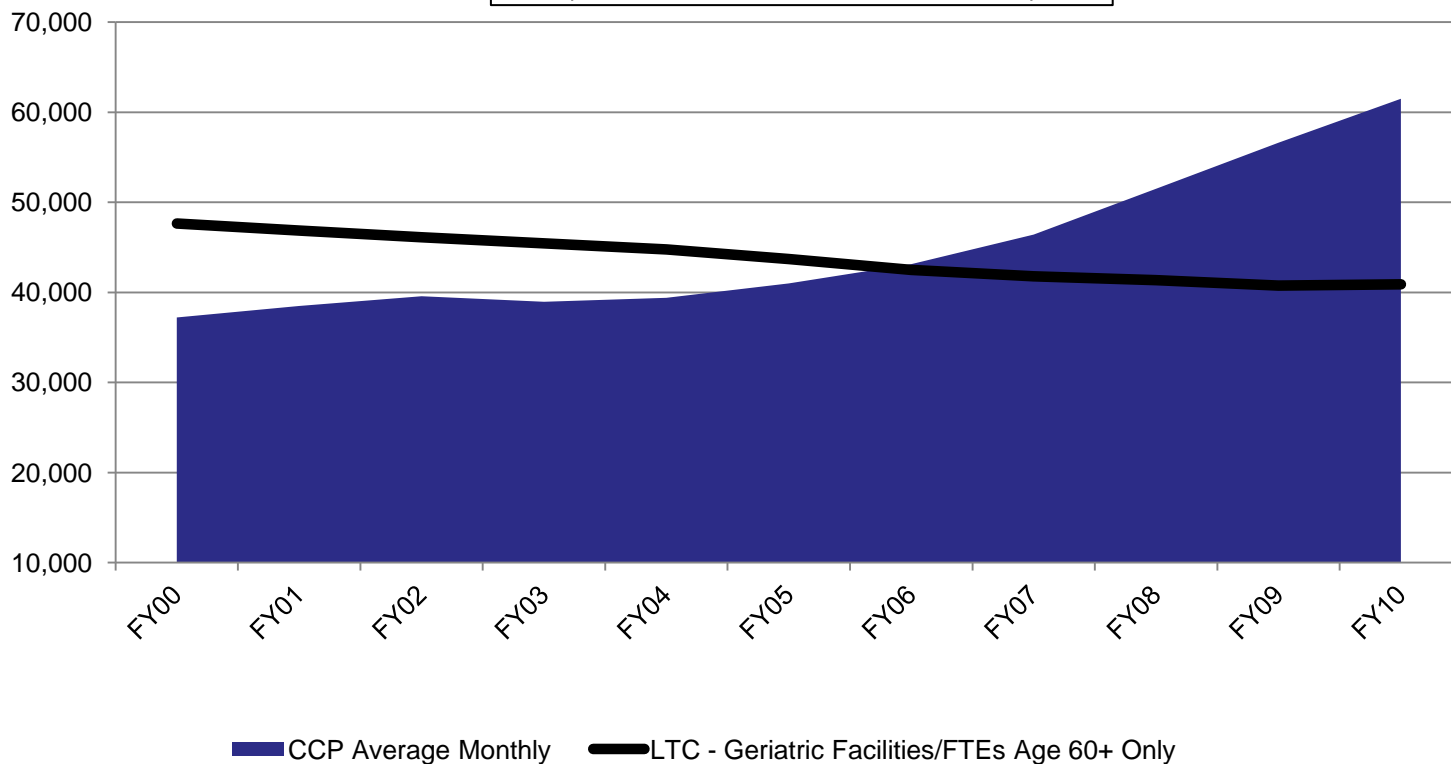


FY10 included approximately \$30 million fin payments for prior years liability.

The average monthly caseload has averaged 11% annual growth. The FY13 reduced growth shown assumes implementation of cost containment measures.

## State Funded CCP Caseload & LTC Geriatric Facilities Data

CCP Average Monthly Caseload vs. LTC Geriatric Facilities Only Age 60+ (Excludes IMDs & Transitional Homes)



## **Pathways to Community Living**

**Formerly known as Money Follows the Person (MFP)**

- The Departments on Aging, Healthcare and Family Services, Human Services and the Illinois Housing Development Authority (IHDA) are coordinating their efforts to redesign Illinois' long term care system in part, through the Pathways to Community Living Program based on the MFP demonstration award from the federal Centers for Medicare and Medicaid Services through 2016.
- The Program provides services to transition Medicaid-eligible persons residing in institutional settings to appropriate home and community-based settings (HCBS), as well as to further the state's overall long-term care (LTC) rebalancing strategies.
- Eligible participants must have been in a nursing facility for at least 90 days, and must be enrolled in Medicaid for at least one (1) day before their transition.
- At the end of December 2011, CCU Transition Coordinators made a 1<sup>st</sup> contact with 4,784 residents in nursing facilities. Since the program became operational, there have been a total 144 transitions.
- In CY 2011, there were 1,511, first contacts, of which 1,324 did not enroll and 75 were transitioned.



# Managed Care & Medicaid Reform

- As a result of Medicaid legislation (*i.e.*, P.A. 96-1501), policy reforms were established to improve care delivery and coordination; as well as to redesign Illinois' healthcare delivery system to be more patient-centered, while focusing on improved health outcomes, enhanced access, patient safety and cost efficiencies.
- The Department of Healthcare and Family Services (DFS), in collaboration with the Departments on Aging (DoA) and Human Services (DHS), will move eligible older adults and persons with disabilities to risk-based managed care programs by 2015, through its ***Innovations Project***.
- These risk-based managed care initiatives include:
  - ***Retaining Care Coordination Entities*** and ***Managed Community Care Networks*** to provide enhanced care coordination services to older adults and persons with disabilities in the Medicaid Program,
  - The ***Integrated Care Program (ICP)*** which impacts approximately 1,600 CCP participants who receive Medicaid services in Lake, Kane, DuPage, Will, Kankakee, and suburban Cook County, and
  - The ***Medicare/Medicaid Financial Alignment Initiative (Capitation)*** that impacts approximately 27,000 more CCP participants who are dually eligible for Medicaid & Medicare in the same service area as the ICP.

# Human Services Framework Project

- The Illinois Human Services and Healthcare Framework Project is a multi-year, comprehensive project of all human service departments.
- Designed to develop a system to support data-sharing and efficient delivery of programs and services among the partner agencies.
- “The Framework Project” will utilize modern technology and streamlined, standardized processes to expand residents' access to human and healthcare services, enhance the state's planning ability, and improve the efficiency of the present system.
- The Department on Aging is partnering with other social services agencies to leverage federal funding for this initiative, and to complete the initial planning and assessment processes.

# Illinois Department on Aging

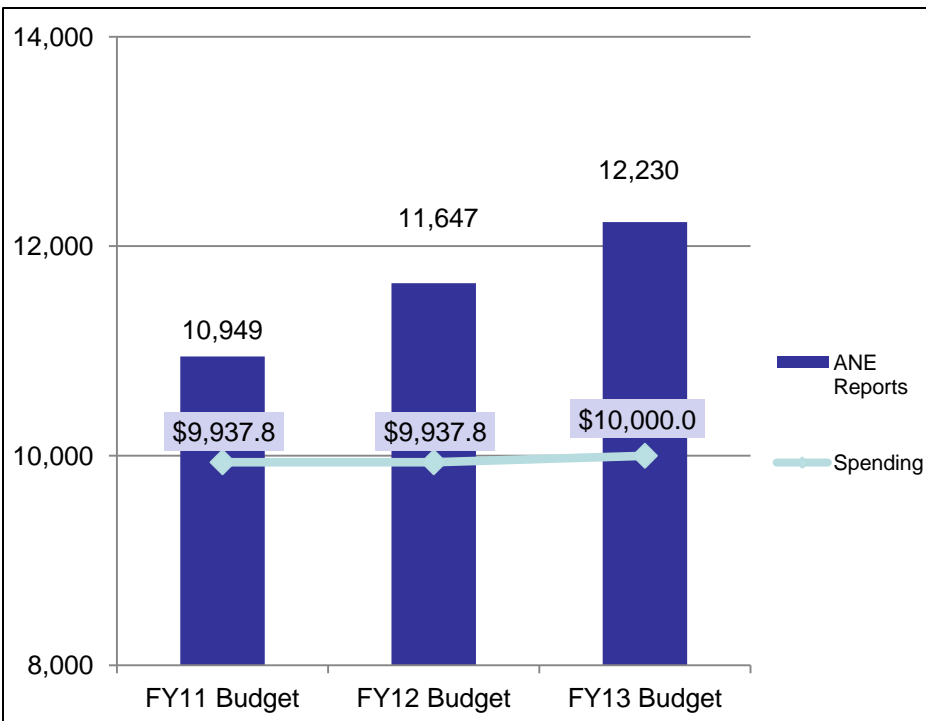
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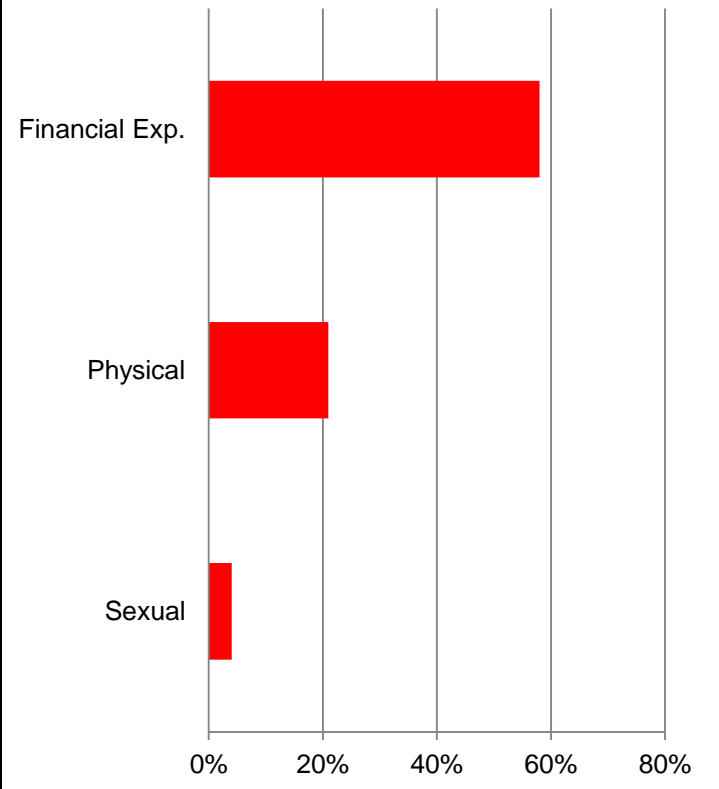
**Fiscal Year 2013  
Community Supportive  
Services**

# Elder Abuse & Neglect Program

FY11-FY13 ANE Reports  
and Spending  
((\$000's))



ANE Prevalence



# FY13 Elder Abuse and Neglect Program

- The Elder Abuse and Neglect Program responds to and investigates reports of abuse, neglect and financial exploitation of persons age 60+ who live in the community.
- It is administered through the Area Agencies on Aging, which have designated 41 local agencies to provide services statewide.
- Each local elder abuse provider agency is supported by a voluntary multi-disciplinary team, which acts in a technical advisory role to the provider agency.
- The Program also promotes and administers public and professional educational services to increase awareness and preventative measures.
- The budget includes \$10.0 million in General Revenue funds for the program to respond to approximately 12,230 reports of elder abuse, neglect and financial exploitation, and to provide first time funding for a coordinated response for a projected 1,200 reports of self neglect.

## **FY13 Older Americans Act: Community Supportive Services**

The Department distributes Older Americans Act funds to 13 Area Agencies on Aging (AAAs). In turn, the AAAs contract with approximately 229 service providers to provide services for older adults at the local level.

In FY13, Older Americans Act funds are projected to serve 493,300 older adults, or 22% of Illinois' approximately 2.3 million older adults, age 60 and over.

# FY13 Community Supportive Services

(\$ in 000s)

General Revenue Funded Programs	FY11 Approp	FY12 Gov. Approp	FY13 Budget	FY13 Budget Over FY12 \$ Diff.	FY13 Budget Over FY12 % Diff.
Senior Employment Program	\$237.9	\$190.3	\$190.3	\$0.0	0.0%
Older Adult Services Initiatives	\$9.0	\$0.0	\$5.0	\$5.0	100%
Exp of Intergenerational Programs	\$54.8	\$0.0	\$0.00	\$0.0	0.0%
Grandparents Raising Grandchildren	\$302.9	\$242.3	\$300.0	\$57.70	23.8%
Special Training Programs (Including Alzheimer's)	\$94.2	\$94.2	\$25.0	(\$69.2)	-73.5%
Exp for Monitoring and Support Services	\$267.2	\$76.5	\$80.0	\$3.5	4.6%
Exp of Illinois Council on Aging	\$18.0	\$18.0	\$26.0	\$8.0	44.4%
USDA Lunch Program Administration	\$31.1	\$31.1	\$31.1	\$0.0	0.0%
Exp of Senior HelpLine Operations	\$2,155.3	\$1,194.0	\$1,500.0	\$306.0	25.6%

# FY13 Community Supportive Services

(\$ in 000s)

General Revenue Funded Programs	FY11 Approp	FY12 Enacted	FY13 Budget	FY13 Budget over FY12 \$ Diff.	FY13 Budget over FY12 % Diff.
Retired Senior and Volunteer Program	\$703.8	\$557.4	\$557.4	\$0.0	0.0%
Planning and Services Grants to AAA*	\$2,241.7	\$1,775.5	\$0.0	(\$1,775.5)	-100.0%
Foster Grandparent Program	\$307.9	\$243.8	\$243.8	\$0.0	0.0%
Agencies for LTC Systems Development	\$248.8	\$246.3	\$246.3	\$0.0	0.0%
Ombudsman Program	351.9	348.4	348.4	\$0.0	0.0%
HDM and Mobile Food Equipment (Non formula & Formula funds)	\$9,025.0	\$9,025.0	\$10,748.2	\$1,723.0	19.1%
Community-Based Services	\$3,062.3	\$2,425.3	\$5,800.0	\$3,774.7	155.6%
Community-Based Services (equal dist)	\$958.0	\$758.7	\$758.8	\$0.1	0.0%

\* Reallocation, see Community-Based Services line.



# FY13 Community Supportive Services

(\$ in 000's)

Federal and Other State Funds (OSF)	FY11 Approp.	FY12 Enacted	FY13 Budget	FY13 Budget over FY12 \$ Diff.	FY13 Budget over FY12 % Diff.
National Lunch Program (excl. administrative)	\$1,500.0	\$1,500.0	\$1,800.0	\$300.0	20.0%
Nutrition Services Incentive Program	\$8,500.0	\$8,500.0	\$8,500.0	\$0.0	0.0%
Title III Nutrition Services - Congregate and HDM*	\$24,475.8	\$24,475.8	\$32,000.0	\$7,524.2	30.7%
Title III Social Services	\$17,000.0	\$17,000.0	\$17,000.0	\$0.0	0.0%
Title V Employment Services (excl. administrative)	\$6,000.0	\$6,000.0	\$6,500.0	\$500.0	8.3%
Title VII Prevention of ANE	\$500.0	\$500.0	\$500.0	\$0.0	0.0%
Title VII LTC Ombudsman Services	\$1,000.0	\$1,000.0	\$1,000.0	\$0.0	0.0%
Title III D Preventive Health	\$1,000.0	\$1,000.0	\$1,000.0	\$0.0	0.0%
Expenses for Governmental Discretionary Projects	\$5,000.0	\$5,000.0	\$5,000.0	\$0.0	0.0%
National Family Caregiver Support	\$7,500.0	\$7,500.0	\$7,500.0	\$0.0	0.0%
Medicaid Community Care Program (OSF)	\$0.0	\$0.0	\$9,000.0	\$9,000.0	100%
Long Term Care Ombudsman Fund (OSF)**	\$750.0	\$2,000.0	\$2,000.0	\$0.0	0.0%
Senior Health Assistance Programs (OSF)	\$1,600.0	\$1,600.0	\$1,600.0	\$0.0	0.0%

\*Reflects increased Federal spending authority to accommodate for anticipated program adjustments.

\*\*For additional LTC Ombudsmen and for other program enhancements resulting from the recent nursing home reform legislation.

**THANK YOU!**

For more information about the Department  
or for assistance accessing services visit:

**[www.state.il.us/aging](http://www.state.il.us/aging)**

**or call the Senior HelpLine at:**

**1-800-252-8966**

**1-888-206-1327 (TTY)**