



Office of Program Policy Analysis And Government Accountability



John W. Turcotte, Director

December 1997

Follow-Up Report on the Community Care for the Elderly Program Administered by the Department of Elder Affairs

Abstract

- The Department has implemented all of the recommendations from our January 1996 report.
- One direct result is an additional \$5.95 million of federal funding to serve frail elders in Florida through the Medicaid Waiver Program. Moreover, it is possible to expand this amount in the future.
- Another result is that the money collected directly from clients has more than tripled from \$375,000 last year to a projected \$1.2 million this year.
- The funding and operational structure of the CCE Program may change in the near future as the Department develops a performance-based program budget for fiscal year 1999-2000.

Purpose

In accordance with s. 11.45(7)(f), F.S., this follow-up report informs the Legislature of actions taken by the Department of Elder Affairs in response to Report No. 95-31, issued on January 24, 1996.

Background

The Community Care for the Elderly (CCE) Program assists functionally impaired elders to live reasonably independent lives in their own homes or in the homes of caregivers by providing them with services, such as homemaker services, personal care, and respite care. These services are provided by 59 locally-based lead agencies through contracts with 11 area agencies on aging that administer programs for the Department. The Department estimates that in fiscal year 1996-97 it served 42,518 CCE clients at a cost to the state of \$42.9 million.

Prior Findings

Our previous review noted a high demand for CCE Program services. In 1995, the client waiting list included several thousand individuals, and the waiting list itself understated the full extent of the need for services. We identified two areas in which there was some potential to increase the resources available to provide services; we also suggested improvements to the Program's data system.

- About 94% of the clients served through the CCE Program and for whom data were available appeared to meet Medicaid income and medical eligibility criteria. If those clients had been placed in the Medicaid Waiver Program, the federal government would have paid 56% of the cost of their services. This would have allowed lead agencies to serve more clients with existing state resources.
- Client contributions represented no more than 1% of the total Program budget for most lead agencies. Client contributions were likely to continue to result in little increased funding for the Program unless the Department revised its rules to require that client assets be considered in the fee assessment process.

and lead agencies changed their fee collection process.

- Although the Department had implemented a management information system used by all CCE Program service providers, inaccurate or incomplete data reduced the usefulness of the data.

Current Status

The Department has implemented our recommendations to improve the likelihood that CCE Program clients will be served through the more cost-effective Medicaid Waiver Program whenever possible.

- New contract language specifically charges lead agencies to identify Medicaid-eligible CCE clients and transfer them to the Waiver Program. Furthermore, Department staff now monitor lead agencies for compliance on this point.
- The Department now has a regular process to transfer funds from CCE to the Waiver Program. The amount so transferred has grown from \$541,000 in fiscal year 1995-96 to \$2.4 million in fiscal year 1997-98.
- The Department now requires all Waiver applicants to have their medical eligibility established in the same way as nursing home applicants, thus removing any inconsistencies in the process.
- New co-payment guidelines ensure consistent calculations of client income and assets, thus helping lead agencies identify Medicaid-eligible CCE clients.

These actions have produced results. They have contributed to the 26% increase in the number of Waiver clients over the past three fiscal years, from 8,237 clients in fiscal year 1994-95 to 10,358 in fiscal year 1996-97. The CCE funds that were transferred to the Waiver Program during that same period have enabled Florida to receive an additional \$5.95 million of federal funding that had not previously been accessed. Moreover, since the current federal limit on the number of Medicaid Waiver clients has risen to 14,801, current Department trends indicate that this increase of federal funds should continue.

The Department has also improved the prospect of

collecting money from clients, and it has addressed problems with its management information system.

- In July 1996 service providers began using new co-payment worksheets that collect data on client assets. That information is also now included in the Department's management information system.
- Service providers are now required by their contract to project and meet a co-payment collection target.
- Department policy now states that CCE clients who are eligible for, but decline, the Medicaid Waiver Program will be terminated from the CCE Program.
- Data integrity checks are now part of routine Department monitoring of service providers.

One result of these actions is a large increase in the amount collected from CCE clients. Co-payments for fiscal year 1996-97 totaled \$375,000, but the Department projects that they will more than triple to \$1.2 million for fiscal year 1997-98.

The CCE Program and Performance-Based Program Budgeting

The structure under which the CCE Program is currently funded and operated may change in the near future as the Department proceeds to develop a performance-based program budget (PB²) under which it will begin operating in fiscal year 1999-2000. The intent of PB² is to hold state agencies more accountable for results and, at the same time, give them more flexibility to use their resources in the best possible way to serve citizens.

As an initial step toward PB², the Department proposed in November 1997 to consolidate all of its activities into a single program called "services to elders." This new program would include the services now offered as part of the CCE Program.

This proposed program and the performance measures that will be developed for it remain subject to several stages of review and comment from the Governor's Office, OPPAGA, and the Legislature. The Legislature has final approval of all programs, performance measures, and standards under the PB² process.

OPPAGA provides objective, independent, professional analyses of state policies and services to assist the Florida Legislature in decision making, to ensure accountability, and to recommend the best use of public resources. Copies of this report may be obtained by telephone (850/488-0021 or 800/531-2477), by FAX (850/487-3804), in person (Claude Pepper Building, Room 312, 111 W. Madison St.), or by mail (OPPAGA Report Production, P.O. Box 1735, Tallahassee, FL 32302).

Web site: <http://www.oppaga.state.fl.us>

Project Supervised by: Curtis E. Baynes
487-9240

Project Conducted by: Robert G. Brunger
487-9227

