



Family and Social Services Administration

Community and Home Options to Institutional Care for the Elderly and Disabled (CHOICE)

Annual Report State Fiscal Year 2012

July 1, 2011 – June 30, 2012

DRAFT Revision 2012-11-05

Executive Summary

The Community and Home Options to Institutional Care for the Elderly and Disabled (CHOICE) program continued to provide needed services for thousands of Hoosiers in State Fiscal Year 2012 (SFY2012), which encompasses July 1, 2011 through June 30, 2012. In SFY 2012, CHOICE provided community and home care services as an alternative to institutional care for 5040 Hoosiers. Effective March 2011 an individual was considered to be served through the CHOICE program if they had a CHOICE Care Plan. Prior to March 2011 many individuals being added to or removed from the CHOICE waiting list were considered to be actively served through the CHOICE program which resulted in a higher number of clients served and increased duplication. CHOICE served an average of 3105 clients per month, with average expenditures of \$756 per month¹. Total CHOICE expenditures for the fiscal year were \$28,181,756, which are exclusively state dollars. Additionally, \$15,000,000 from the CHOICE allocation were used as state match to serve clients through the Aged and Disabled Waiver.

Introduction

The Community and Home Options to Institutional Care for the Elderly and Disabled (CHOICE) program was established during the 1987 legislative session through House Enrolled Act 1094 and began as a pilot program in Knox, Daviess, and Tippecanoe counties in 1988. In 1990, the program expanded to eleven additional counties and by 1992, the program included services to all of Indiana's 92 counties. In

2005, Indiana Code 12-10-10-4 was amended to include an individual asset limit to not exceed the worth of five hundred thousand dollars. CHOICE is funded exclusively with state dollars.

To be an "eligible individual" for CHOICE program services, one must:

- be a resident of the State of Indiana;
- be 60 years of age or older or disabled;
- not have assets exceeding the worth of five hundred thousand dollars, as determined by the
- Indiana Division of Aging; and
- qualify under the criteria developed by the board as having an impairment that places the individual at risk of losing the individual's independence if the individual is unable to perform two (2) or more assessed activities of daily living.

CHOICE funding for services is used after all other possible payment sources have been identified and all reasonable efforts have been employed to utilize those sources. While there are no income restrictions

¹ Average number of CHOICE clients served per month was calculated by adding the number of clients served each month as reported by each Area Agency on Aging per the Mid month report and dividing the total number by 12. Include CHOICE expenditures only; does not include Medicaid, Medicaid Waiver, Social Services Block Grant or Older Americans Act-Title III.

on eligibility, a cost share exists for anyone above 150% of Federal Poverty Level. The 2012 Federal Poverty Level for a one person household was \$11,170 and a two person household was \$15,130.

Basis for the CHOICE Annual Report

IC 12-10-10-11 is the basis for the CHOICE annual report. The code is listed throughout this report along with the appropriate statistics and data from SFY 2012, which encompasses July 1, 2011 through June 30, 2012.

Reporting Requirements

IC 12-10-10-11

Before October 1 of each year, the Division, in conjunction with the Office of the Secretary, shall prepare a report for review by the Board and the General Assembly. The report must include the following information regarding clients and services of the Community and Home Options to Institutional Care for the Elderly and Disabled (CHOICE) program and other long term care home and community-based programs.

Amount and Source of Local, State and Federal Dollars Spent²

IC 12-10-10-11(a) (1)

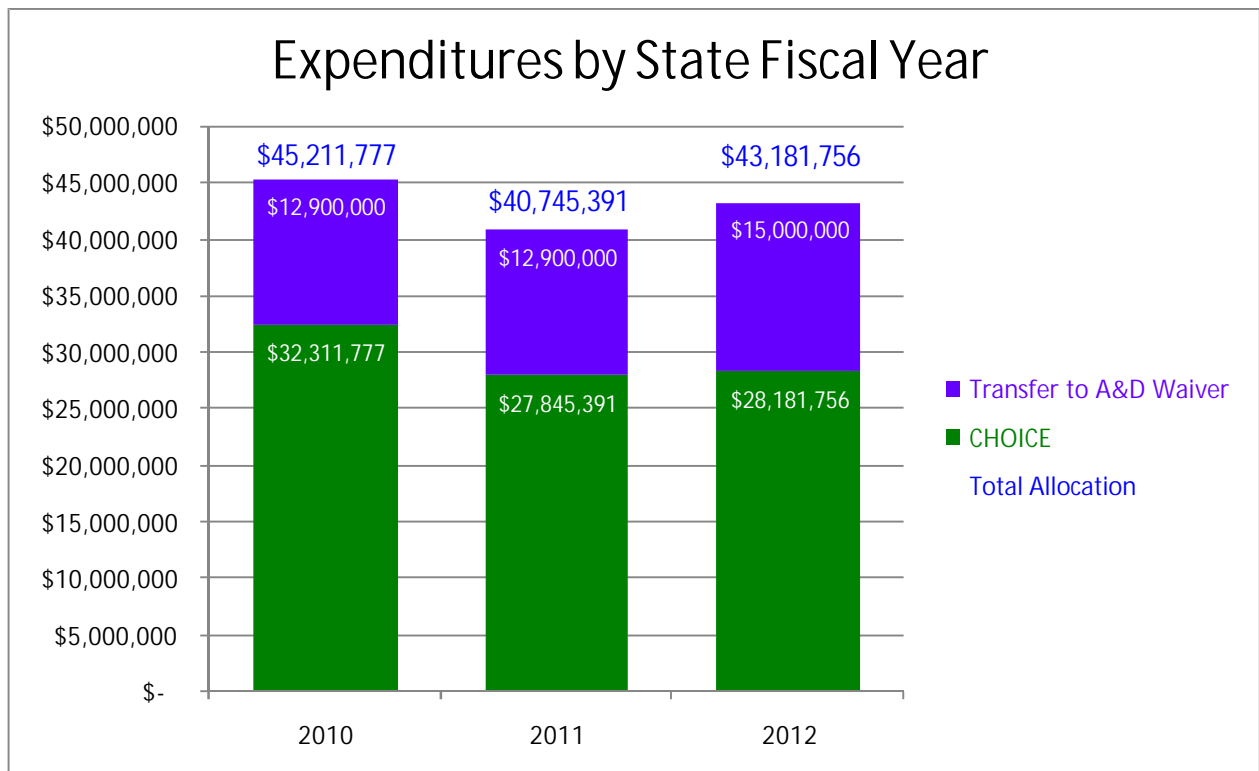
Total Expenditures (CHOICE, SSBG, Older Americans Act - Title III, Aged and Disabled Medicaid Waiver, and Traumatic Brain Injury Medicaid Waiver) for SFY 2012. Total Number Served is not an unduplicated number; individuals may have been served through multiple programs at a point and time during this reporting period.

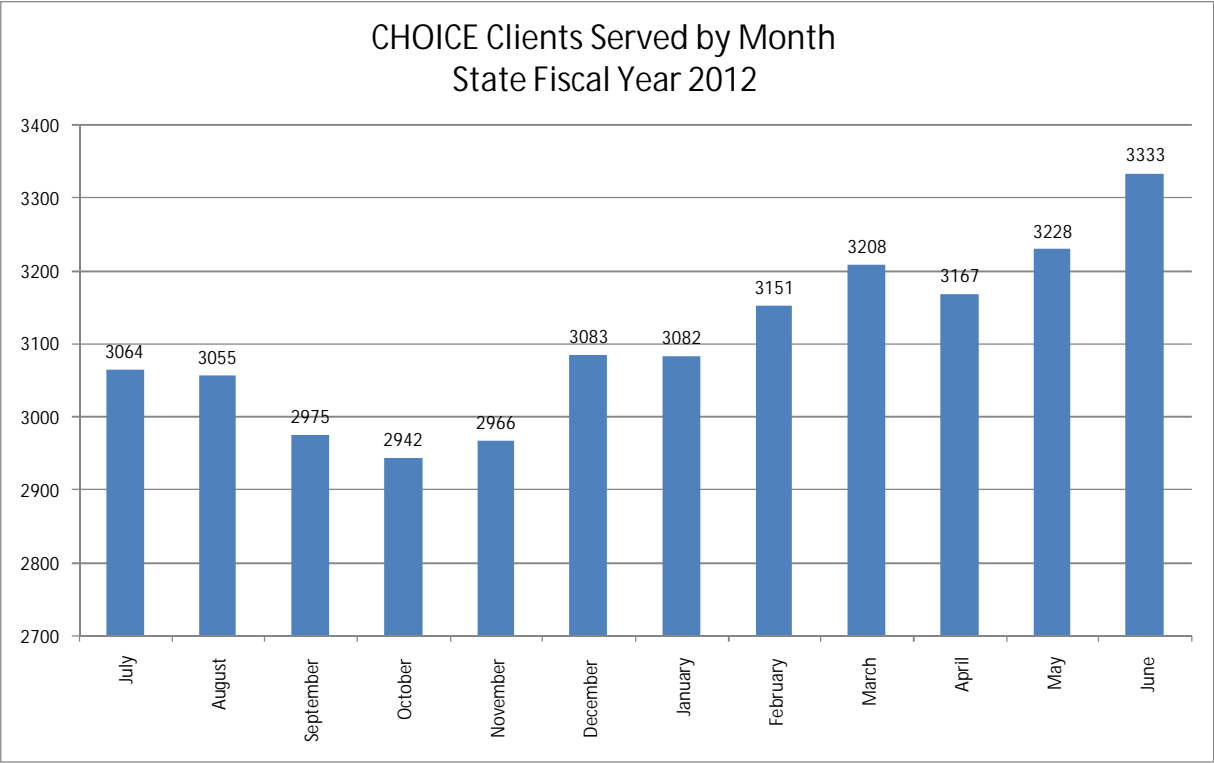
² Waiver expenditures were obtained from the Office of Medicaid Policy and Planning. CHOICE, SSBG and Title III were taken from Division of Aging accounting.

State Fiscal Year 2012	Total	State	Federal	Total Number Served
Aged and Disabled Medicaid Waiver	\$ 118,995,610	\$ 39,450,554	\$ 79,545,056	11,151
Traumatic Brain Injury Medicaid Waiver	\$ 4,437,405	\$ 1,471,232	\$ 2,966,173	178
Social Services Block Grant (SSBG)	\$ 6,099,549	\$ -	\$ 6,099,549	16,613
Older Americans Act - Title III	\$ 26,086,775	\$ 154,639	\$ 25,932,136	19,837
CHOICE	\$ 28,181,756	\$ 28,181,756	\$ -	5,040
SFY 2012 Total Expenditures	\$ 183,801,095	\$ 69,258,181	\$ 114,542,914	52,819

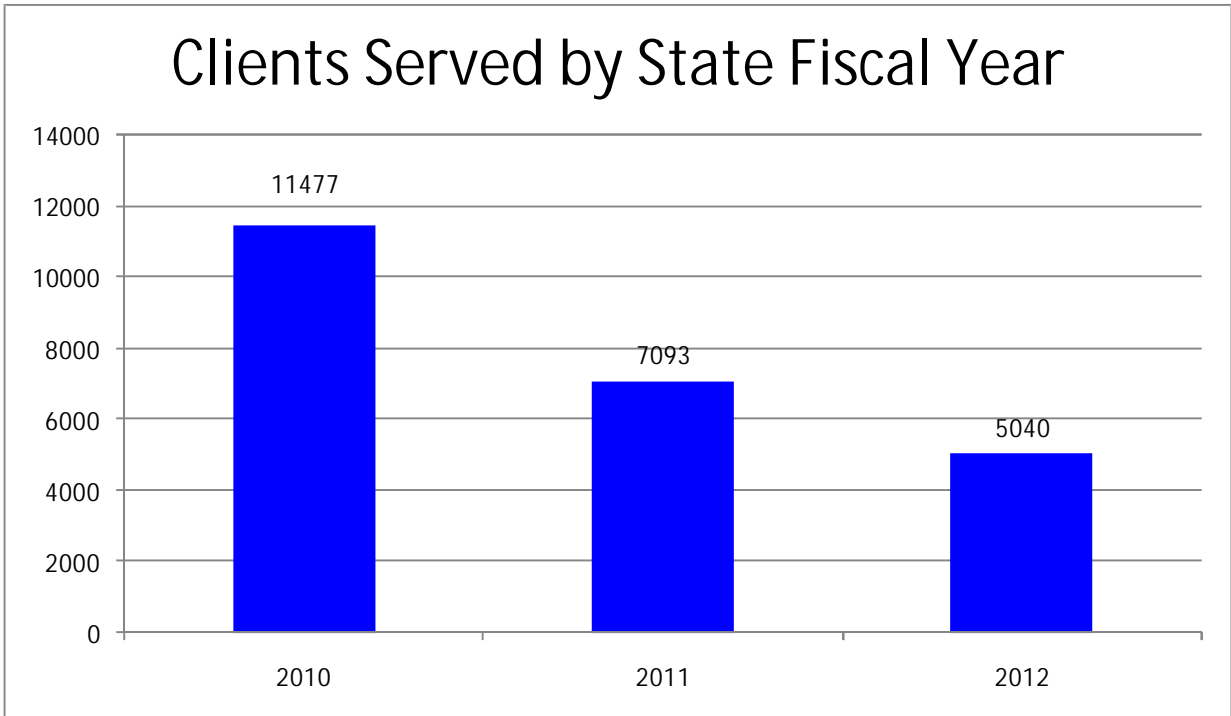
Below is a comparison of the past three state fiscal year CHOICE expenditures and number of clients served

State Fiscal Year	Expenditures	Clients Served	Clients Who Were Medicaid-Eligible
2010	\$ 32,311,777	11477	4127
2011	\$ 27,845,391	7093	2953
2012	\$ 28,181,756	5040	2569

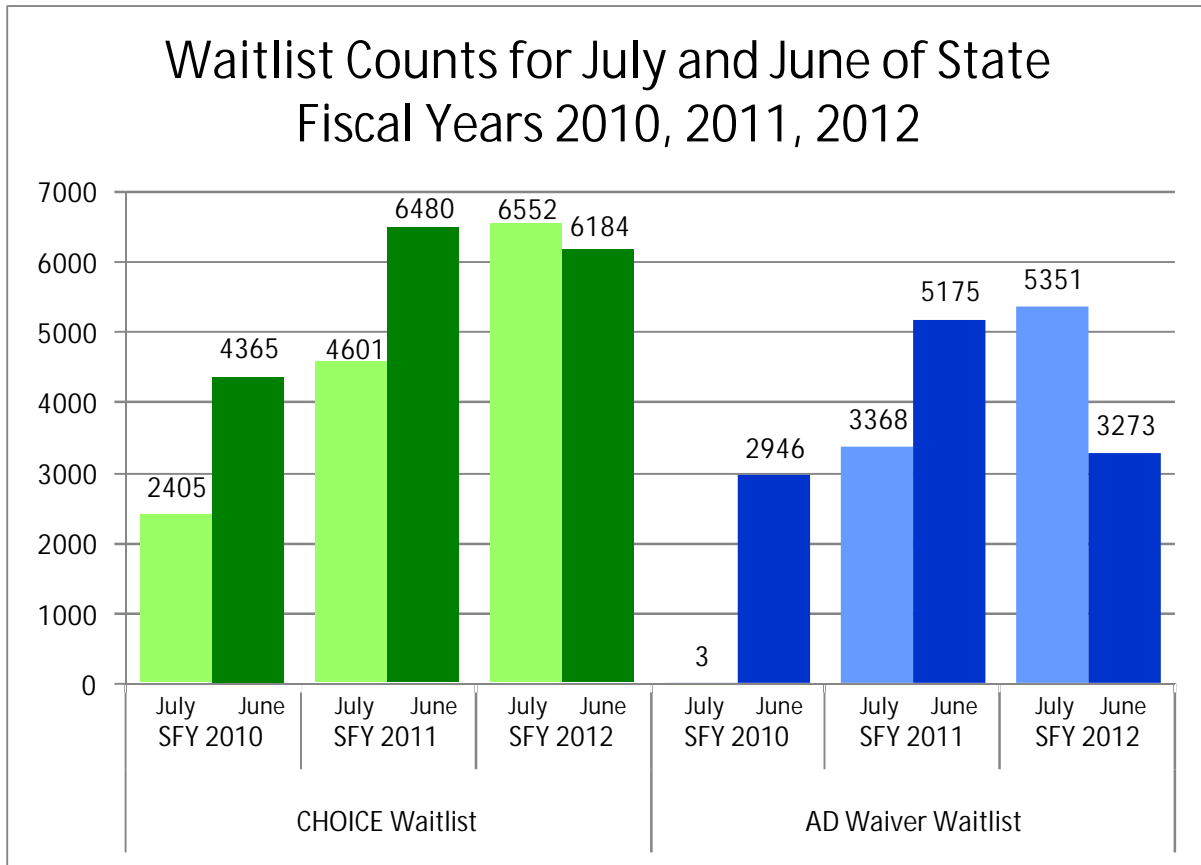




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³ As reported by the Area Agencies on Aging per Insite (Indiana In-Home Services Information System). Effective March 2011 an individual served was defined as having a CHOICE Care Plan.



Use of CHOICE to Supplement the Funding of Services from Other Programs IC 12-10-10-11(a)(2)

Number of people who received CHOICE services while Medicaid-eligible: 2569.⁴

Number and Types of Providers IC 12-10-10-11(a)(3)

Total Number of CHOICE Providers:

1058

Types of Participating CHOICE Providers:

Adult Day Care Centers

Area Agencies on Aging

⁴ Clients matched from CHOICE against Indiana Medicaid.

Assistive Technology Suppliers

Construction Companies

Faith-Based Social Service Agencies

Hospitals

Legal Service Organizations

Medical Centers

Mental Health Agencies

Pharmacies

Transportation Companies

Home Health Agency

Cleaning Service Companies

Physicians

Home-Delivered Meals Services

Informal Providers

Local Housing Authorities

Medical Equipment Companies

Pest Control Companies

Physical Therapists

Personal Service Agency

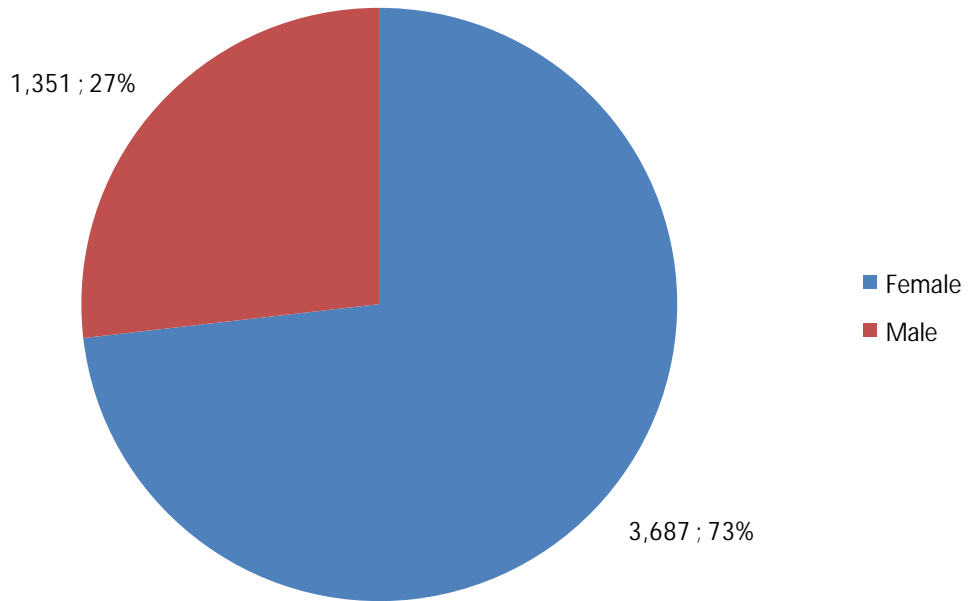
Demographic Characteristics
 IC 12-10-10-11(a)(4)(A)

State Fiscal Year 2012			
Age	Female	Male	Total
0 - 18	51	74	125
19 - 59	575	362	937
60 - 64	268	103	371
65 - 69	314	137	451
70 - 74	345	132	477
75 - 79	406	117	523
80 - 84	557	149	706
85+	1,171	277	1,448
Total	3,687	1,351	5,038 ⁵

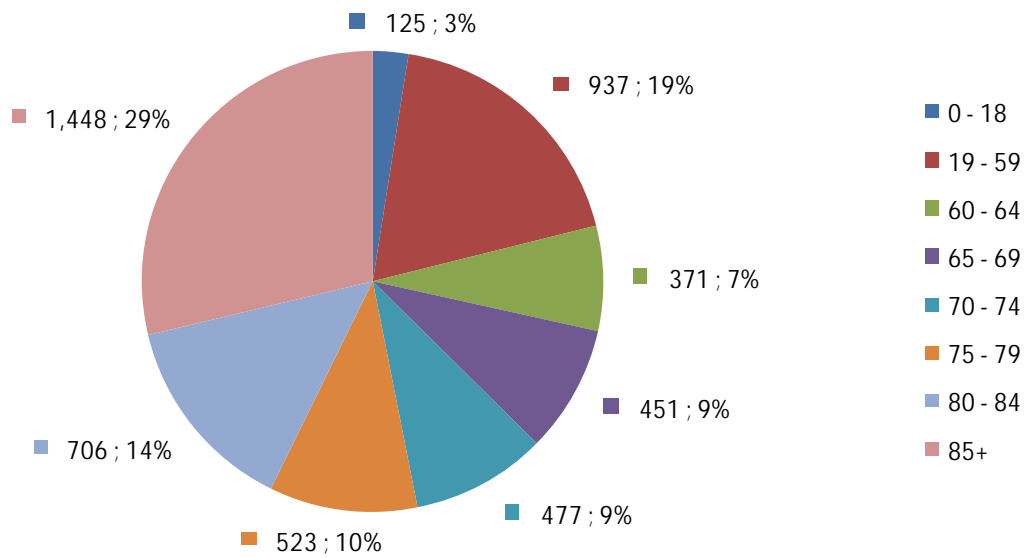
NOTE: There were 2 clients with unknown age and gender

⁵ As reported by the Area Agencies on Aging per Insite (Indiana In-Home Services Information System).

Gender of Clients - State Fiscal Year 2012

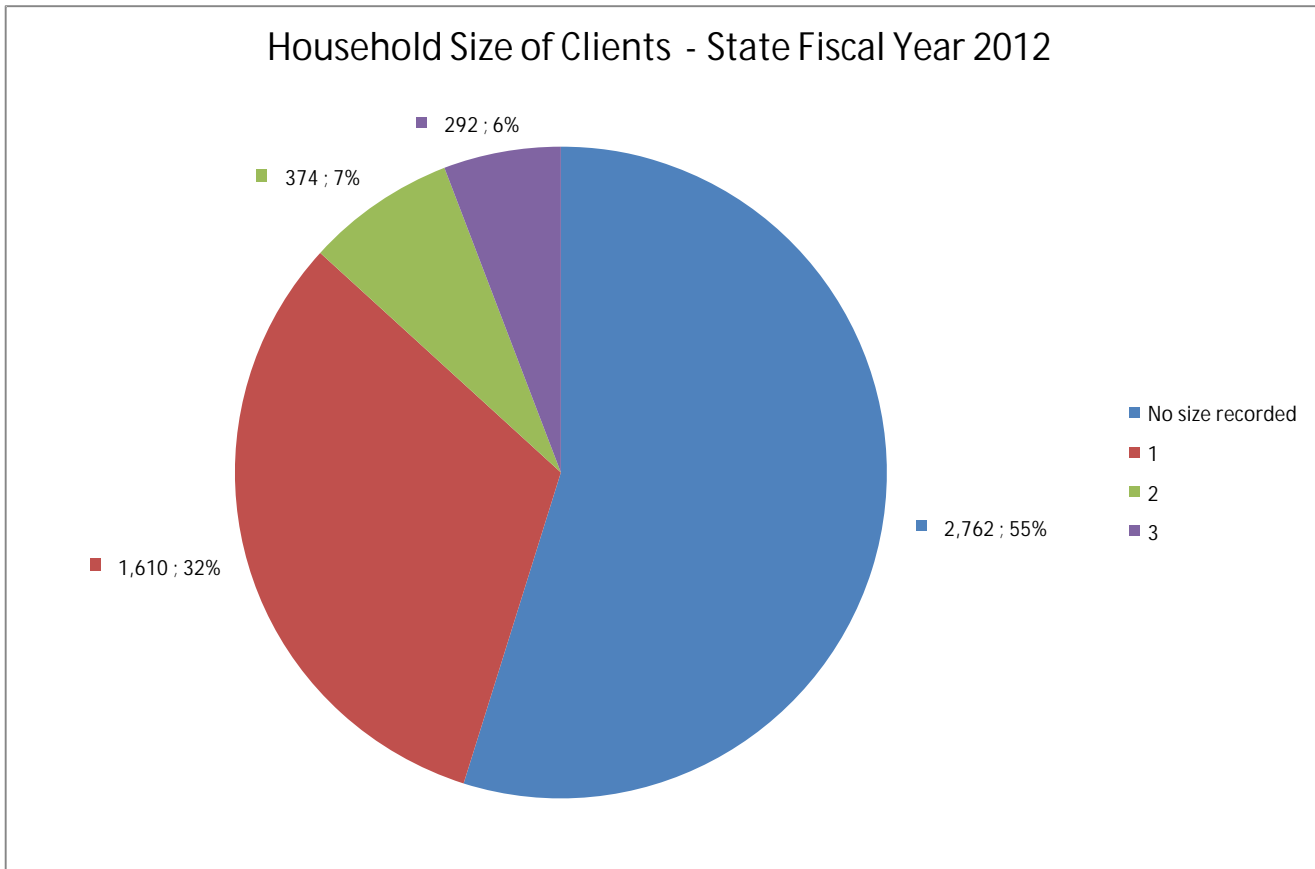


Age of Clients - State Fiscal Year 2012



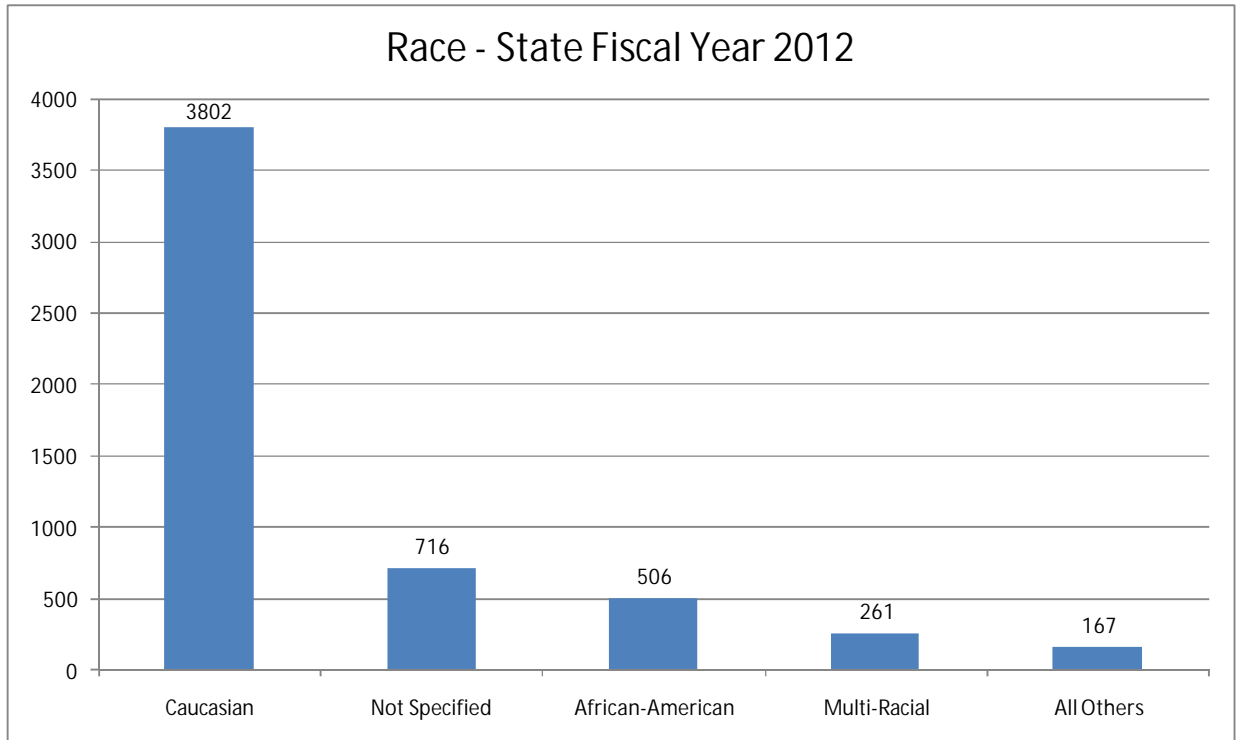
⁶ As reported by the Area Agencies on Aging per Insite (Indiana In-Home Services Information System).

State Fiscal Year 2012	
Household Size	Number of Clients
No size recorded	2
1	2,762
2	1,610
3	374
4 or more	292



State Fiscal Year 2012	
Race	Clients
Caucasian	3802
Not Specified	716
African-American	506
Multi-Racial	261
All Others	167 ^{7,8}

⁷ As reported by the Area Agencies on Aging per Insite (Indiana In-Home Services Information System).



9,10

Impairments and Medical Characteristics of CHOICE Clients IC 12-10-10-11(a)(4)(B)

Primary Diagnosis - State Fiscal Year 2012		
Diagnosis	Number	% of Total
No Diagnosis Code	50	1.0%
Circulatory	1,169	23.2%
Nervous	949	18.8%
Alzheimers and Dementia-Related	556	11.0%
All Others	2,316	46.0%

¹¹

⁸ Clients may elect to report more than one racial category

⁹ As reported by the Area Agencies on Aging per Insite (Indiana In-Home Services Information System).

¹⁰ Clients may elect to report more than one racial category

¹¹ As reported by the Area Agencies on Aging per Insite (Indiana In-Home Services Information System).

Secondary Diagnosis - State Fiscal Year 2012		
Diagnosis	Number	% of Total
No Diagnosis Code	527	10.5%
Circulatory	1,187	23.6%
Nervous	433	8.6%
Alzheimers and Dementia-Related	169	3.4%
All Others	2,724	54.0%

¹²

Tertiary Diagnosis - State Fiscal Year 2012		
Diagnosis	Number	% of Total
No Diagnosis Code	1,341	26.6%
Circulatory	920	18.3%
Nervous	323	6.4%
Alzheimers and Dementia-Related	126	2.5%
All Others	2,330	46.2%

¹³

Comparison of Costs for All Publicly Funded Long-Term Care Programs IC 12-10-10-11(a)(5)

State Fiscal Year 2012	CHOICE	Older Americans Act - Title III	Combined Home and Community-Based Waivers	Social Services Block Grant
Annual Expenditures	\$ 28,181,756.00	\$ 26,086,775.00	\$ 123,433,015.00	\$ 6,099,549.00

¹⁴

¹² As reported by the Area Agencies on Aging per Insite (Indiana In-Home Services Information System).

¹³ As reported by the Area Agencies on Aging per Insite (Indiana In-Home Services Information System).

¹⁴ As reported by the Area Agencies on Aging per Insite (Indiana In-Home Services Information System).

CHOICE State Fiscal Year 2012	Total	State	Federal
Average Cost per client based on 3,105 clients served per month			
Per Day	\$ 25	\$ 25	\$ -
Per Month	\$ 756	\$ 756	\$ -
Per Year	\$ 9,076	\$ 9,076	\$ -
Nursing Facilities State Fiscal Year 2012			
Total	State	Federal	
Average cost per client			
Per Day	\$ 138	\$ 34	\$ 104
Per Month	\$ 3,919	\$ 973	\$ 2,946
Per Year	\$ 47,030	\$ 11,680	\$ 35,351 ¹⁵

Client Care Outcomes

IC 12-10-10-11(a)(6)

CHOICE provided community and home care services as an alternative to institutional care for 5,040 clients in SFY 2012.

For SFY 2012, there were 333 CHOICE clients who were approved and confirmed to start the Aged and Disabled Waiver and 7 CHOICE clients who were approved and confirmed to start the Traumatic Brain Injury Waiver, thus transferring from the CHOICE program to a Medicaid Waiver program.

Estimated Number of Applicants for Services from CHOICE with One ADL¹⁶

IC 12-10-10-11(a) (7) (A)

A determination of the estimated number of applicants for services from the community and home options to institutional care for the elderly and disabled program who have one (1) assessed activity of daily living (ADL) that cannot be performed.

¹⁵ CHOICE average cost per day calculated as average monthly cost divided by 30. The average nursing facility cost per month is the average cost per day multiplied by 28.4, which represents the average number of utilization days per month. The average cost per year is the average cost per month multiplied by 12 months per year. All nursing facility expenditures reflect incurred costs. Nursing facility data was obtained from Milliman.

¹⁶ As reported by the Area Agencies on Aging per Insite (Indiana In-Home Services Information System).

CHOICE clients unable to perform 1 ADL: 116

Estimated Number of Applicants for Services from CHOICE with Two ADLs¹⁷ IC 12-10-10-11(a) (7) (B)

A determination of the estimated number of applicants for services from the community and home options to institutional care for the elderly and disabled program who have two (2) assessed activities of daily living (ADLs) that cannot be performed.

CHOICE clients unable to perform 2 ADLs: 1,489

Estimated Number of Applicants for Services from CHOICE with Three or More ADLs¹⁸ IC 12-10-10-11(a) (7) (C)

A determination of the estimated number of applicants for services from the community and home options to institutional care for the elderly and disabled program who have three (3) or more assessed activities of daily living (ADLs) that cannot be performed.

CHOICE clients unable to perform 3 or more ADLs: 3,435

CHOICE clients with severe medical conditions: 281

Estimated Effect on Program Funding, Program Savings, Client Care Outcomes and Comparative Costs¹⁹ IC 12-10-10-11(a) (7) (A) (B) (C)

Program savings

The average cost per month for CHOICE services was \$2,508 lower than the average cost to maintain someone in an institution (\$756 CHOICE vs. \$3,264 nursing home). The State and Federal portions of the savings (by day, month, and year) are illustrated below.

¹⁷ As reported by the Area Agencies on Aging per Insite (Indiana In-Home Services Information System).

¹⁸ As reported by the Area Agencies on Aging per Insite (Indiana In-Home Services Information System).

¹⁹ Savings may not be realized because a CHOICE client is not necessarily nursing facility eligible and may not be eligible financially for Medicaid.

State Fiscal Year 2012	Daily Rate	Monthly Rate	Yearly Rate
A. Nursing Home	\$ 138	\$ 3,919	\$ 47,030
B. CHOICE	\$ 25	\$ 756	\$ 9,072
C. Savings (A-B)	\$ 113	\$ 3,163	\$ 37,958
D. State Share of Savings	\$ 28	\$ 786	\$ 9,427
E. Federal Share of Savings	\$ 85	\$ 2,378	\$ 28,532

Client Access

In SFY 2012, CHOICE clients had access to an array of services, which include the following:

Adult Day Services	Homemaker
Transport – Adult Day Services	Home Health Aide
Specialized Medical Equipment	Home Health Supplies
Assisted Transportation	LPN
Attendant Care	Medication Setup
Bath Aide	Medication Time Reminders
Behavior Management	Occupational Therapy
Case Management	Other Needed Services
Environmental Modification	Physical Therapy
Family and Care Training	Respite
Foot Care	Resident Based Habilitation
Home Delivered Meals	Respite – Homemaker
Speech Therapy	Skilled Nursing
Respite Nursing	Social Worker
Transportation	Wheelchair Transportation

Costs of Other Funding Sources for Services and the Annual Costs Compared to CHOICE Annual Cost

State Fiscal Year 2012	Total	State	Federal
Aged and Disabled Medicaid Waiver	\$ 118,995,610	\$ 39,450,554	\$ 79,545,056
Traumatic Brain Injury Medicaid Waiver	\$ 4,437,405	\$ 1,471,232	\$ 2,966,173
Social Services Block Grant (SSBG)	\$ 6,099,549	\$ -	\$ 6,099,549
Older Americans Act - Title III	\$ 26,086,775	\$ 154,639	\$ 25,932,136
CHOICE	\$ 28,181,756	\$ 28,181,756	\$ -
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