

## **CHOICE program modifications as set out in PD 3988**

1. Requires an initial verification of income and assets, vs. current declaration.
2. Allows the division to require annual re-verification of income for certain categories of recipients who are likely to experience a material increase in income or assets.
3. Requires that the care plan take into consideration family and community members willing to provide services needed by the individual, consistent with a person-centered approach to client care. Specifies that family and community members may not be *required* to provide such services as a condition to CHOICE eligibility.
4. Incentivizes utilization of uncompensated family and community members to provide services by distributing the realized cost savings as follows:
  - \*20% back to the individual, for reduction of the cost share, if any
  - \*30% back to the AAA as a plenary fund for HCBS
  - \*the remainder back into the CHOICE fund for the AAA
5. Requires the division to provide the funding for case management services that is necessary to implement this section.
6. Reduces threshold assets for CHOICE clients from \$500,000 to \$250,000, as adjusted annually by the CPI. Not countable in this \$250,000 asset limit are:
  - \*all exclusions from the Medicaid Aged and Disabled Waiver program, such as a residence and income producing property, and
  - \*an additional \$10,000 in countable assets, such as a CD, also adjusted annually by the CPI.
6. Requires the division to develop a cost participation schedule based on the individual's income AND *countable* assets, vs. just income. This is the model from the Community Living Program (CLP), which requires a client to contribute towards the cost of his or her own care from liquid resources, thereby expanding the pool of funding to serve more clients.
7. Allows CHOICE to continue to be used to serve clients generally with 2 ADLs. Also allows CHOICE to be used:
  - \*For a client with a single ADL, if the AAA determines that addressing that ADL would significantly reduce the likelihood of loss of independence and need for additional services, and
  - \*For a client with a need for assistance without a corresponding ADL, if the AAA determines that targeted intervention or assistance with that activity would significantly reduce the likelihood of loss of independence and need for additional services.The core principle of this change is to transform CHOICE into even more of a prevention-oriented funding source, so that funds can be used to prevent falls, ensure proper eating and taking of medications, etc., so that the individual does not deteriorate quickly from preventable causes.

8. Allows CHOICE clients' assets to be attached, after death, in the same manner as is permitted for liens under the Medicaid program. However, provides that no lien may attach if a client receives less than \$10,000 in services, as adjusted annually by the CPI.

9. Provides that CHOICE funds do not revert to the general fund at the end of a fiscal year, but are instead distributed back to the AAAs for providing CHOICE services.