



PRELIMINARY DRAFT
No. 3988

PREPARED BY
LEGISLATIVE SERVICES AGENCY
2014 GENERAL ASSEMBLY

DIGEST

Citations Affected: IC 12-7-2-49.5; IC 12-10-10.

Synopsis: CHOICE program. Changes asset limitations within the community and home options to institutional care for the elderly and disabled program (program) from \$500,000 to \$250,000 and specifies certain exemptions from the asset determination. Requires annual adjustment of the asset limitation using the federal Consumer Price Index. Allows a participant who is unable to perform at least one activity of daily living or one activity to participate in the program under specified circumstances. Requires the division of family resources to: (1) establish a cost participation schedule for a program participant based on the participant's income and assets; and (2) redistribute certain savings obtained by family members and community members providing services at no cost to the program to the participant and the area agencies of aging. Allows the division of family resources to: (1) annually redetermine whether a participant remains eligible for the program; and (2) place a lien to recoup the cost of services that exceed \$10,000 for an individual in the same manner as liens that are placed under the Medicaid program.

Effective: July 1, 2014.



A BILL FOR AN ACT to amend the Indiana Code concerning human services.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 12-7-2-49.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2014]: **Sec. 49.5. "CPI", for purposes of IC 12-10-10, has the**
4 **meaning set forth in IC 12-10-10-2.5.**

5 SECTION 2. IC 12-10-10-1 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. As used in this
7 chapter, "case management" means an administrative function
8 conducted locally by an area agency on aging that includes the
9 following:

- 10 (1) Assessment of an individual to determine the individual's
11 functional impairment level and corresponding need for services.
12 (2) Development of a care plan **addressing that:**
13 **(A) addresses** an eligible individual's needs;
14 **(B) takes into consideration the individual's family and**
15 **community members who are willing to provide services to**
16 **meet any of the individual's needs; and**
17 **(C) is consistent with a person centered approach to client**
18 **care.**
19 (3) Supervision of the implementation of appropriate and
20 available services for an eligible individual.
21 (4) Advocacy on behalf of an eligible individual's interests.
22 (5) Monitoring the quality of community and home care services
23 provided to an eligible individual.
24 (6) Reassessment of the care plan to determine the continuing
25 need and effectiveness of the community and home care services
26 provided to an eligible individual under this chapter.
27 (7) Provision of information and referral services to individuals
28 in need of community and home care services.

29 SECTION 3. IC 12-10-10-2.5 IS ADDED TO THE INDIANA
30 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
31 [EFFECTIVE JULY 1, 2014]: **Sec. 2.5. As used in this chapter,**



1 **"CPI" refers to the United States Bureau of Labor Statistics**
 2 **Consumer Price Index, all items, all urban consumers, or its**
 3 **successor index.**

4 SECTION 4. IC 12-10-10-4, AS AMENDED BY P.L.99-2007,
 5 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2014]: Sec. 4. (a) As used in this chapter, "eligible individual"
 7 means an individual who **meets the following:**

8 (1) Is a resident of Indiana.

9 (2) Is:

10 (A) at least sixty (60) years of age; or

11 (B) an individual with a disability.

12 (3) Has assets **that meet the following:**

13 **(A) For an individual who participates in the program on**
 14 **June 30, 2014, and remains a participant in the program,**
 15 **assets that do not exceed five hundred thousand dollars**
 16 **(\$500,000), as determined by the division. and**

17 **(B) For an individual who applies for the program after**
 18 **June 30, 2014, assets that do not exceed two hundred fifty**
 19 **thousand dollars (\$250,000) adjusted by the CPI, as set**
 20 **forth in subsection (c). In determining assets under this**
 21 **clause, the division:**

22 **(i) may include only property that is included in**
 23 **determining assets in the Medicaid aged and disabled**
 24 **waiver program in determining an individual's eligibility**
 25 **for the aged and disabled waiver; and**

26 **(ii) shall exclude an additional ten thousand dollars**
 27 **(\$10,000) in countable assets, as adjusted by CPI as set**
 28 **forth in subsection (c).**

29 (4) Qualifies under criteria developed by the board as having an
 30 impairment that places the individual at risk of losing the
 31 individual's independence, as described in subsection (b).

32 (b) For purposes of subsection (a), an individual is at risk of losing
 33 the individual's independence if the individual is unable to perform **any**
 34 **of the following:**

35 **(1) Two (2) or more activities of daily living. The use by or on**
 36 **behalf of the individual of any of the following services or devices**
 37 **does not make the individual ineligible for services under this**
 38 **chapter:**

39 ~~(1)~~ **(A) Skilled nursing assistance.**

40 ~~(2)~~ **(B) Supervised community and home care services,**
 41 **including skilled nursing supervision.**

42 ~~(3)~~ **(C) Adaptive medical equipment and devices.**

43 ~~(4)~~ **(D) Adaptive nonmedical equipment and devices.**

44 **(2) One (1) activity of daily living, if the area agency on aging**
 45 **determines that addressing the single activity of daily living**
 46 **would significantly reduce the likelihood of the individual's**



1 loss of independence and the need for additional services.

2 **(3) An activity, if the area agency on aging determines that**
 3 **targeted intervention or assistance with the activity would**
 4 **significantly reduce the likelihood of the individual's loss of**
 5 **independence and the need for additional services.**

6 **(c) Before June 1, 2015, and before June 1 of each subsequent**
 7 **year, the division shall determine an adjusted asset limit to be used**
 8 **for purposes of subsection (a)(3)(B) and section 14 of this chapter**
 9 **in the following state fiscal year. The adjusted asset limit for the**
 10 **following state fiscal year shall be determined as follows:**

11 **STEP ONE: Determine the percentage change between:**

12 **(A) the CPI as last reported for the calendar year ending**
 13 **in the state fiscal year in which the determination is made;**
 14 **and**

15 **(B) the CPI as last reported for the calendar year that**
 16 **precedes the calendar year described in clause (A).**

17 **STEP TWO: Express the percentage change determined in**
 18 **STEP ONE as a two (2) digit decimal rounded to the nearest**
 19 **hundredth. A negative percentage change under this STEP**
 20 **must be treated as zero (0).**

21 **STEP THREE: Add one (1) to the STEP TWO result.**

22 **STEP FOUR: Multiply:**

23 **(A) the STEP THREE result; by**

24 **(B) the asset limit used for purposes of subsection (a)(3)(B)**
 25 **in the state fiscal year in which the determination is made.**

26 **Before June 15, 2015, and before June 15 of each subsequent year**
 27 **the division shall publish in the Indiana Register the adjusted asset**
 28 **limit to be used for purposes of subsection (a)(3)(B) in the following**
 29 **state fiscal year.**

30 **(d) The division shall do the following:**

31 **(1) Verify an individual's income and assets in determining**
 32 **whether the individual is eligible for the program.**

33 **(2) Establish a cost participation schedule for a program**
 34 **recipient based on the program participant's income and**
 35 **assets.**

36 **(3) Annually verify that a program participant meets the**
 37 **income and asset requirements of this chapter for a program**
 38 **participant who the division determines is likely to experience**
 39 **a material increase in income and assets.**

40 **(e) The division may require annual verification of a program**
 41 **participant's eligibility for the program. An individual shall submit**
 42 **the information requested by the division to carry out the**
 43 **redetermination allowed by this subsection.**

44 **(f) The division may not require a family or other person to**
 45 **provide services as a condition of an individual's eligibility for the**
 46 **program.**



1 SECTION 5. IC 12-10-10-7 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) Except as
 3 provided in subsection (b), the case management under this chapter of
 4 an individual leading to participation in the program may not be
 5 conducted by any agency that delivers services under the program.

6 (b) If the division determines that there is no alternative agency
 7 capable of delivering services to the individual, the area agency on
 8 aging that performs the assessment under the program may also deliver
 9 the services.

10 **(c) The division shall provide the necessary funding to provide**
 11 **case management services for the program.**

12 SECTION 6. IC 12-10-10-9 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) The division shall
 14 establish a program to train relatives of eligible individuals to provide
 15 homemaker and personal care services to those eligible individuals.

16 (b) Relatives of eligible individuals who complete the training
 17 program established under this section are eligible for reimbursement
 18 under this chapter or under the Medicaid program for the provision of
 19 homemaker and personal care services to those eligible individuals.
 20 Reimbursement under the Medicaid program is limited to those cases
 21 in which the provision of homemaker and personal care services to an
 22 eligible individual by a relative results in financial hardship to the
 23 relative.

24 **(c) For services that an individual is eligible to receive under the**
 25 **program but receives from a relative or other individual without**
 26 **receiving compensation, the division shall distribute the program**
 27 **savings from not paying for the services as follows:**

28 **(1) Twenty percent (20%) of the savings to offset the**
 29 **individual's cost share amount for participating in the**
 30 **program, if any.**

31 **(2) Thirty percent (30%) of the savings to the area agency on**
 32 **aging for the use in funding home and community based**
 33 **services.**

34 **(3) The remaining amount of the program savings after the**
 35 **distribution under subdivisions (1) and (2) to be retained by**
 36 **the area agency on aging for the program.**

37 SECTION 7. IC 12-10-10-13 IS ADDED TO THE INDIANA
 38 CODE AS A NEW SECTION TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2014]: **Sec. 13. Notwithstanding any other**
 40 **state law, funds appropriated by the general assembly for the**
 41 **program do not revert to the state general fund at the end of a state**
 42 **fiscal year and must be made available and distributed to local**
 43 **area agencies on aging for providing services under the program.**

44 SECTION 8. IC 12-10-10-14 IS ADDED TO THE INDIANA
 45 CODE AS A NEW SECTION TO READ AS FOLLOWS
 46 [EFFECTIVE JULY 1, 2014]: **Sec. 14. (a) The division may obtain**



1 a lien on the program recipient's real property for the cost of
2 services provided to the individual in the program if the cost of the
3 services exceeds ten thousand dollars (\$10,000), as adjusted by the
4 CPI under section 4(c) of this chapter, in the same manner and
5 with the same requirements as the office obtains a lien against a
6 Medicaid recipient under IC 12-15-8.5.

7 (b) The division may adopt rules necessary under IC 4-22-2 to
8 implement this section.

